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Ping An of China CSI HK Dividend ETF (Stock Code: 3070)

sub-fund of the Ping An of China Trust
(a Hong Kong unit trust authorized under
section 104 of the Securities and Futures Ordinance
(Cap. 571 of the laws of the Hong Kong SAR))

Clarification on Performance Information on Monthly Fund Factsheets and Financial Reports of the Sub-Fund

1. INTRODUCTION

Ping An of China Asset Management (Hong Kong) Company Limited, as the manager (the “**Manager**”) of Ping An of China CSI HK Dividend ETF (the “**Sub-Fund**”) refers to the performance information of the Sub-Fund as stated respectively in (i) the Sub-Fund’s monthly fund factsheets of September 2012 to January 2017 (collectively, the “**Fund Factsheets**”), and (ii) the Sub-Fund’s interim financial reports for the period ended (a) 30 June 2013, (b) 30 June 2014, (c) 30 June 2015 and (d) 30 June 2016, and the annual financial reports for the year ended (a) 31 December 2012, (b) 31 December 2013, (c) 31 December 2014 and (d) 31 December 2015 (collectively, the “**Financial Reports**”) published on the Manager’s website (<http://asset.pingan.com.hk>) (This website has not been reviewed by the SFC.) and HKEXnews (<http://www.hkexnews.hk>).

2. CLARIFICATION

The Manager wishes to inform investors that the cumulative, calendar year and annualized performance information relating to the Sub-Fund and the underlying index was incorrectly displayed in the Sub-Fund’s monthly fund factsheets during the period from October 2012 to March 2017. The above performance information relating to the Sub-Fund and the underlying index was also incorrectly displayed in the Financial Reports.

Technical failure in the performance calculation system provided by a third party information provider and the oversight of the Manager were the principal reasons contributing to the aforementioned incidents which were detected by the Manager in early March 2017.

The tables in the Appendix outline the rectification to performance information of the Sub-Fund and the underlying index.

Please note that the incorrect performance information did not affect the dealing price or the net asset value calculation for the Sub-Fund or the price for trading on the Stock Exchange. In addition, no offering documents and/ or other advertising materials of the Sub-Fund contained the incorrect performance information set out above.

3. RECTIFICATION ACTION TAKEN

On detecting the above errors in the performance information of the Sub-Fund, the Manager has removed all the monthly fund factsheets and financial reports of the Sub-Fund that contain incorrect performance information and published the February 2017 Fund Factsheet and the 2016 Annual Report with correct performance information on the Manager's website (<http://asset.pingan.com.hk>) on 24 March 2017 and 28 April 2017 respectively. (This website has not been reviewed by the SFC.) All the performance information of the Sub-Fund contained in this Announcement, the February 2017 Fund Factsheet and the 2016 Annual Report have been verified by KPMG, who was appointed by the Manager to conduct an independent review, amongst others, on the corrected performance information of the Sub-Fund.

Meanwhile, the Manager has revamped the system and the process for compiling data used for fund factsheets. The operating effectiveness of the control procedures, systems and processes with respect to the preparation and reporting of the Sub-Fund's monthly factsheets has been tested by KPMG. Going forward, the Manager shall ensure compliance with all applicable regulatory requirements and minimize the risk of such errors from recurring. Information on marketing materials will be reviewed and verified by relevant responsible parties to ensure accuracy before publication.

Investors who have any enquiries regarding the above may contact the Manager's Hotline at (+852) 3762 9228 or visit us at <http://asset.pingan.com.hk>.

Ping An of China Asset Management (Hong Kong) Company Limited
25 July 2017

Appendix

The table below outlines the correct performance information of the Sub-Fund in the Sub-Fund's monthly fund factsheets of December 2016 and January 2017

Performance 表現 (%)			Fund (HKD) 基金(港元)			Index (HKD) 相關指數 (港元)		
Month 月份	Cumulative/ Calendar Year/ Annualized 累計表現/ 年度表現/ 年度化表現	Year/ Month 年/月	Incorrect Information 不正確資料	Actual Performance Information 實際表現資料	Overstatement (+) / Understatement (-) (indicate %) 高估 (+) / 低估 (-) (%)	Incorrect Information 不正確資料	Actual Performance Information 實際表現資料	Overstatement (+) / Understatement (-) (indicate %) 高估 (+) / 低估 (-) (%)
Dec 2016 2016年 12月	Cumulative 累計表現	YTD 年初至今	-2.25%	-1.22%	-1.03%	-2.31%	-1.30%	-1.01%
		1 month 1個月	-7.22%	-6.24%	-0.98%	-5.06%	-4.09%	-0.97%
		3 months 3個月	-8.63%	-7.66%	-0.97%	-6.59%	-5.63%	-0.96%
		6 months 6個月	-0.37%	0.68%	-1.05%	1.34%	2.38%	-1.04%
		Since inception 成立至今	10.05%	11.21%	-1.16%	10.48%	11.61%	-1.13%
	Annualized 年度化表現	Since inception 成立至今	1.98%	2.20%	-0.22%	2.06%	2.27%	-0.21%
Jan 2017 2017年1月	Cumulative 累計表現	YTD 年初至今	5.40%	4.23%	1.17%	5.48%	4.34%	1.14%
		1 month 1個月	5.40%	4.23%	1.17%	5.48%	4.34%	1.14%
		3 months 3個月	-1.39%	-1.46%	0.07%	0.86%	0.80%	0.06%
		6 months 6個月	0.18%	0.11%	0.07%	1.83%	1.78%	0.05%
		Since inception 成立至今	16.00%	15.92%	0.08%	16.53%	16.46%	0.07%
	Calendar Year 年度表現	2016	-2.25%	-1.22%	-1.03%	-2.31%	-1.30%	-1.01%
	Annualized 年度化表現	Since inception 成立至今	3.03%	3.02%	0.01%	3.13%	3.12%	0.01%

The table below outlines the correct performance information of the Sub-Fund in the Sub-Fund's monthly fund factsheets of September 2012 to January 2017

Performance 表現 (%)			Fund (HKD) 基金(港元)			Index (HKD) 相關指數 (港元)		
Month 月份	Cumulative/ Calendar Year/ Annualized 累計表現/ 年度表現/ 年度化表現	Year/ Month 年/月	Incorrect Information 不正確資料	Actual Performance Information 實際表現資料	Overstatement (+) / Understatement (-) (indicate %) 高估 (+) / 低估 (-) (%)	Incorrect Information 不正確資料	Actual Performance Information 實際表現資料	Overstatement (+) / Understatement (-) (indicate %) 高估 (+) / 低估 (-) (%)
Sep 2012	Annualized 年度化表現	Since inception 成立至今	11.37%	11.47%	-0.10%	9.14%	9.22%	-0.08%
Oct 2012	Cumulative 累計表現	YTD 年初至今				14.54%	14.53%	0.01%
Nov 2012	Cumulative 累計表現	YTD 年初至今				19.50%	19.49%	0.01%
Dec 2012	Cumulative 累計表現	YTD 年初至今				19.51%	19.45%	0.06%
		1 month 1個月				0.01%	-0.03%	0.04%
		3 months 3個月				5.73%	5.68%	0.05%
		6 months 6個月				11.75%	11.70%	0.05%
		Since inception 成立至今				11.80%	11.75%	0.05%
		Annualized 年度化表現	Since inception 成立至今				13.35%	13.29%
Jan 2013	Cumulative 累計表現	YTD 年初至今				5.41%	5.46%	-0.05%
		1 month 1個月				5.41%	5.46%	-0.05%
	Calendar Year 年度表現	2012				19.51%	19.45%	0.06%
Feb 2013	Cumulative 累計表現	YTD 年初至今				5.17%	5.22%	-0.05%
	Calendar Year 年度表現	2012				19.51%	19.45%	0.06%
Mar 2013	Cumulative 累計表現	YTD 年初至今				4.70%	4.74%	-0.04%
		3 months 3個月				4.70%	4.74%	-0.04%
	Calendar Year 年度表現	2012				19.51%	19.45%	0.06%
	Annualized 年度化表現	Since inception 成立至今	15.18%	15.29%	-0.11%	14.85%	14.97%	-0.12%
Apr 2013	Cumulative 累計表現	YTD 年初至今				7.78%	7.83%	-0.05%
	Calendar Year 年度表現	2012				19.51%	19.45%	0.06%
May 2013	Cumulative 累計表現	YTD 年初至今				5.20%	5.25%	-0.05%
	Calendar Year 年度表現	2012				19.51%	19.45%	0.06%
Jun 2013	Cumulative 累計表現	YTD 年初至今				-0.98%	-0.93%	-0.05%
		6 months 6個月				-0.98%	-0.93%	-0.05%
	Calendar Year 年度表現	2012				19.51%	19.45%	0.06%
	Annualized 年度化表現	Since inception 成立至今	8.20%	8.23%	-0.03%	7.61%	7.65%	-0.04%
Jul 2013	Cumulative 累計表現	YTD 年初至今				1.19%	1.23%	-0.04%
	Calendar Year 年度表現	2012				19.51%	19.45%	0.06%
Aug 2013	Cumulative 累計表現	YTD 年初至今				-0.60%	-0.56%	-0.04%
	Calendar Year 年度表現	2012				19.51%	19.45%	0.06%
	Annualized 年度化表現	Since inception 成立至今	7.74%	7.76%	-0.02%	7.01%	7.03%	-0.02%
Sep 2013	Cumulative 累計表現	YTD 年初至今				0.61%	0.65%	-0.04%
	Calendar Year 年度表現	2012				19.51%	19.45%	0.06%
Oct 2013	Cumulative 累計表現	YTD 年初至今				1.44%	1.49%	-0.05%
	Calendar Year 年度表現	2012				19.51%	19.45%	0.06%
Nov 2013	Cumulative 累計表現	YTD 年初至今				2.02%	2.06%	-0.04%
	Calendar Year 年度表現	2012				19.51%	19.45%	0.06%
	Annualized 年度化表現	Since inception 成立至今	8.64%	8.65%	-0.01%	7.56%	7.57%	-0.01%

Performance 表現 (%)			Fund (HKD) 基金(港元)			Index (HKD) 相關指數 (港元)			
Month 月份	Cumulative/ Calendar Year/ Annualized 累計表現/ 年度表現/ 年度化表現	Year/ Month 年/ 月	Incorrect Information 不正確資料	Actual Performance Information 實際表現資料	Overstatement (+) / Understatement (-) (indicate %) 高估 (+) / 低估 (-) (%)	Incorrect Information 不正確資料	Actual Performance Information 實際表現資料	Overstatement (+) / Understatement (-) (indicate %) 高估 (+) / 低估 (-) (%)	
Dec 2013	Cumulative 累計表現	YTD 年初至今				0.00%	-0.01%	0.01%	
		1 month 1個月				-1.98%	-2.03%	0.05%	
		3 months 3個月				-0.60%	-0.65%	0.05%	
		6 months 6個月				0.99%	0.94%	0.05%	
		Since inception 成立至今				11.81%	11.75%	0.06%	
	Calendar Year 年度表現	2012				19.51%	19.45%	0.06%	
Jan 2014	Cumulative 累計表現	YTD 年初至今				-4.91%	-4.96%	0.05%	
		1 month 1個月				-4.91%	-4.96%	0.05%	
		3 months 3個月				-6.26%	-6.36%	0.10%	
		6 months 6個月				-6.02%	-6.13%	0.11%	
		Since inception 成立至今				6.31%	6.20%	0.11%	
	Calendar Year 年度表現	2012				19.51%	19.45%	0.06%	
Feb 2014	Cumulative 累計表現	YTD 年初至今				-3.13%	-3.07%	-0.06%	
		1 month 1個月				1.88%	1.99%	-0.11%	
		6 months 6個月				-2.53%	-2.54%	0.01%	
		Calendar Year 年度表現	2012				19.51%	19.45%	0.06%
		2013				0.00%	-0.01%	0.01%	
	Annualized 年度化表現	Since inception 成立至今				3.15%	3.10%	0.05%	
Mar 2014	Cumulative 累計表現	YTD 年初至今				-2.07%	-2.02%	-0.05%	
		3 month 3個月				-2.07%	-2.02%	-0.05%	
		Calendar Year 年度表現	2012				19.51%	19.45%	0.06%
	2013				0.00%	-0.01%	0.01%		
Apr 2014	Cumulative 累計表現	YTD 年初至今				-1.67%	-1.62%	-0.05%	
		3 months 3個月				3.41%	3.52%	-0.11%	
	Calendar Year 年度表現	2012				19.51%	19.45%	0.06%	
May 2014	Cumulative 累計表現	YTD 年初至今				1.49%	1.55%	-0.06%	
		Calendar Year 年度表現	2012				19.51%	19.45%	0.06%
		2013				0.00%	-0.01%	0.01%	
	Annualized 年度化表現	Since inception 成立至今				5.64%	5.65%	-0.01%	
Jun 2014	Calendar Year 年度表現	YTD 年初至今				1.88%	1.94%	-0.06%	
		6 months 6個月				1.88%	1.94%	-0.06%	
	Calendar Year 年度表現	2012				19.51%	19.45%	0.06%	
Jul 2014	Calendar Year 年度表現	YTD 年初至今				5.87%	5.93%	-0.06%	
		6 months 6個月				11.34%	11.46%	-0.12%	
		2012				19.51%	19.45%	0.06%	
	2013				0.00%	-0.01%	0.01%		
Aug 2014	Calendar Year 年度表現	YTD 年初至今				6.79%	6.85%	-0.06%	
		2012				19.51%	19.45%	0.06%	
	Annualized 年度化表現	Since inception 成立至今	7.68%	7.70%	-0.02%	7.18%	7.20%	-0.02%	

Performance 表現 (%)			Fund (HKD) 基金(港元)			Index (HKD) 相關指數 (港元)		
Month 月份	Cumulative/Calendar Year/Annualized 累計表現/年度表現/年度化表現	Year/Month 年/月	Incorrect Information 不正確資料	Actual Performance Information 實際表現資料	Overstatement (+) / Understatement (-) (indicate %) 高估 (+) / 低估 (-) (%)	Incorrect Information 不正確資料	Actual Performance Information 實際表現資料	Overstatement (+) / Understatement (-) (indicate %) 高估 (+) / 低估 (-) (%)
Sep 2014	Calendar Year 年度表現	YTD 年初至今				1.89%	1.95%	-0.06%
	Calendar Year 年度表現	2012				19.51%	19.45%	0.06%
Oct 2014	Calendar Year 年度表現	2013				0.00%	-0.01%	0.01%
	Calendar Year 年度表現	YTD 年初至今				5.95%	6.01%	-0.06%
Nov 2014	Calendar Year 年度表現	2012				19.51%	19.45%	0.06%
	Calendar Year 年度表現	2013				0.00%	-0.01%	0.01%
Nov 2014	Calendar Year 年度表現	YTD 年初至今				9.42%	9.48%	-0.06%
	Calendar Year 年度表現	2012				19.51%	19.45%	0.06%
	Annualized 年度化表現	Since inception 成立至今	8.15%	8.17%	-0.02%	7.45%	7.47%	-0.02%
Dec 2014	Calendar Year 年度表現	YTD 年初至今				9.36%	9.42%	-0.06%
	Calendar Year 年度表現	2012				19.51%	19.45%	0.06%
	Calendar Year 年度表現	2013				0.00%	-0.01%	0.01%
Jan 2015	Calendar Year 年度表現	2014				9.36%	9.42%	-0.06%
	Calendar Year 年度表現	2012				19.51%	19.45%	0.06%
	Calendar Year 年度表現	2013				0.00%	-0.01%	0.01%
	Annualized 年度化表現	Since inception 成立至今	7.90%	7.91%	-0.01%	8.07%	8.08%	-0.01%
Feb 2015 - Apr 2015	Calendar Year 年度表現	2012				19.51%	19.45%	0.06%
	Calendar Year 年度表現	2013				0.00%	-0.01%	0.01%
	Calendar Year 年度表現	2014				9.36%	9.42%	-0.06%
May 2015	Calendar Year 年度表現	2012				19.51%	19.45%	0.06%
	Calendar Year 年度表現	2013				0.00%	-0.01%	0.01%
	Calendar Year 年度表現	2014				9.36%	9.42%	-0.06%
	Annualized 年度化表現	Since inception 成立至今	8.61%	8.63%	-0.02%	8.50%	8.51%	-0.01%
Jun 2015 - Dec 2015	Calendar Year 年度表現	2012				19.51%	19.45%	0.06%
	Calendar Year 年度表現	2013				0.00%	-0.01%	0.01%
	Calendar Year 年度表現	2014				9.36%	9.42%	-0.06%
Jan 2016	Cumulative 累計表現	6 months 6個月				-15.19%	-15.20%	0.01%
	Calendar Year 年度表現	2012				19.51%	19.45%	0.06%
	Calendar Year 年度表現	2013				0.00%	-0.01%	0.01%
Feb 2016 - Jun 2016	Calendar Year 年度表現	2014				9.36%	9.42%	-0.06%
	Calendar Year 年度表現	2012				19.51%	19.45%	0.06%
	Calendar Year 年度表現	2013				0.00%	-0.01%	0.01%
Jul 2016	Calendar Year 年度表現	2014				9.36%	9.42%	-0.06%
	Calendar Year 年度表現	2012				19.51%	19.45%	0.06%
	Calendar Year 年度表現	2013				0.00%	-0.01%	0.01%
	Annualized 年度化表現	Since inception 成立至今	3.33%	3.34%	-0.01%			
Aug 2016 - Sep 2016	Calendar Year 年度表現	2012				19.51%	19.45%	0.06%
	Calendar Year 年度表現	2013				0.00%	-0.01%	0.01%
	Calendar Year 年度表現	2014				9.36%	9.42%	-0.06%
Oct 2016	Cumulative 累計表現	Since inception 成立至今				15.54%	15.53%	0.01%
	Calendar Year 年度表現	2012				19.51%	19.45%	0.06%
	Calendar Year 年度表現	2013				0.00%	-0.01%	0.01%
Nov 2016	Calendar Year 年度表現	2014				9.36%	9.42%	-0.06%
	Calendar Year 年度表現	2012				19.51%	19.45%	0.06%
	Calendar Year 年度表現	2013				0.00%	-0.01%	0.01%
Dec 2016	Calendar Year 年度表現	2014				9.36%	9.42%	-0.06%
	Calendar Year 年度表現	2012				19.51%	19.45%	0.06%
	Calendar Year 年度表現	2013				0.00%	-0.01%	0.01%
Jan 2017	Calendar Year 年度表現	2014				9.36%	9.42%	-0.06%
	Calendar Year 年度表現	2012				19.51%	19.45%	0.06%
	Calendar Year 年度表現	2013				0.00%	-0.01%	0.01%

Legend

 "correct data"

The table below outlines the correct performance information of the Sub-Fund in the Sub-Fund's Financial Reports

Calendar Year Performance 年度表現 (%)			Index (HKD) 相關指數 (港元)		
Interim/Annual Report 中期/年度財務報告	Cumulative/ Calendar Year 累計表現/ 年度表現	Year/ Month 年/月	Incorrect Information 不正確資料	Actual Performance Information 實際表現資料	Overstatement (+) / Understatement (-) (indicate %) 高估 (+) / 低估 (-) (%)
2012 Annual Report	Cumulative 累計表現	1 month 1個月	0.01%	-0.03%	0.04%
		3 months 3個月	5.73%	5.68%	0.05%
		Since inception 成立至今	11.80%	11.75%	0.05%
2013 Interim Report	Cumulative 累計表現	6 months 6個月	-0.98%	-0.93%	-0.05%
		2012 Since inception 成立至今	11.80%	11.75%	0.05%
2013 Annual Report	Cumulative 累計表現	1 month 1個月	-1.98%	-2.03%	0.05%
		3 months 3個月	-0.60%	-0.65%	0.05%
		Since inception 成立至今	11.81%	11.75%	0.06%
	Calendar Year 年度表現	2012	19.51%	19.45%	0.06%
		2013	0.00%	-0.01%	0.01%
2014 Interim Report	Cumulative 累計表現	6 months 6個月	1.88%	1.94%	-0.06%
	Calendar Year 年度表現	2012	19.51%	19.45%	0.06%
		2013	0.00%	-0.01%	0.01%
2014 Annual Report & 2015 Interim Report	Calendar Year 年度表現	2013	0.00%	-0.01%	0.01%
		2014	9.36%	9.42%	-0.06%
2015 Annual Report & 2016 Interim Report	Calendar Year 年度表現	2014	9.36%	9.42%	-0.06%

Ping An of China CSI RAFI
A-Share 50 ETF* **2818**
(*This is a synthetic ETF)

Ping An of China CSI
HK Dividend ETF **3070**

Ping An of China CSI
HK Mid Cap Select ETF **3072**

Ping An of China CSI RAFI
HK50 ETF **3098**

Ping An of China CSI RAFI A-Share 50 ETF*

(*This is a synthetic ETF) (Stock Code: 2818)

Ping An of China CSI HK Dividend ETF (Stock Code: 3070)

Ping An of China CSI HK Mid Cap Select ETF (Stock Code: 3072)

Ping An of China CSI RAFI HK50 ETF (Stock Code: 3098)

(Sub-Funds of Ping An of China Trust)

Annual Report

For the year ended 31 December 2012

Manager



中国平安资产管理(香港)
PING AN OF CHINA ASSET MANAGEMENT (HONG KONG)



ANNUAL REPORT

Ping An of China CSI RAFI A-Share 50 ETF*

(*This is a synthetic ETF)

Ping An of China CSI HK Dividend ETF

Ping An of China CSI HK Mid Cap Select ETF

Ping An of China CSI RAFI HK50 ETF

(Sub-Funds of Ping An of China Trust)

31 December 2012

PING AN OF CHINA TRUST

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IMPORTANT:

This report is available in English only.

Any opinion expressed herein reflects the Manager's view only and are subject to change. For more information about Sub-Funds, please refer to the prospectus of Sub-Funds which is available at our website:

<http://asset.pingan.com.hk>

Investors should not rely on the information contained in this report for their investment decisions.

PING AN OF CHINA TRUST

MANAGEMENT AND ADMINISTRATION

Manager

Ping An of China Asset Management (Hong Kong) Company Limited
Suites 1106- 1110
11th Floor, Chater House
8 Connaught Road, Central
Hong Kong

Directors of the Manager

WANG Liping
YAO Jun
YAO Bo Jason
CAI Fangfang
CHAN Tak Yin
GAO Peng

RUDD Benjamin Jeremy Kenneth
TUNG Hoi
WAN Fang
YU Wenjie
HUANG Yong
TAN Sin Yin

Investment Adviser

Ping An Asset Management Co., Ltd
30th Floor, No. 1333
Lujiazui Ring Road,
Pudong New District,
Shanghai,
PRC (200120)

Trustee, Custodian and Registrar

HSBC Institutional Trust Services (Asia) Limited
1 Queen's Road Central
Hong Kong

Service/Conversion Agent

HK Conversion Agency Services Limited
2nd Floor, Infinitus Plaza
199 Des Voeux Road, Central
Hong Kong

Legal Adviser to the Manager

Baker & McKenzie Solicitors
23rd Floor, One Pacific Place
88 Queensway
Hong Kong

Auditor

Ernst & Young
22nd Floor, CTIC Tower
1 Tim Mei Avenue, Central
Hong Kong

PING AN OF CHINA TRUST

MANAGEMENT AND ADMINISTRATION (continued)

Participating Dealers

Ping An of China CSI RAFI A-Share 50 ETF (*This is a synthetic ETF)*

Citigroup Global Markets Asia Limited
50th Floor, Citibank Tower, Citibank Plaza
3 Garden Road, Central
Hong Kong

UBS Securities Hong Kong Limited
52nd Floor, Two International Finance Centre
8 Finance Street, Central
Hong Kong

Participating Dealers

Ping An of China CSI HK Dividend ETF

Ping An of China CSI Mid Cap Select ETF

Ping An of China CSI RAFI HK50 ETF

ABN AMRO Clearing Hong Kong Limited
Level 70, International Commerce Centre
1 Austin Road West of Kowloon

Barclays Bank PLC
41st Floor, Cheung Kong Center
2 Queen's Road Central
Hong Kong

Citigroup Global Markets Asia Limited
50th Floor, Citibank Tower, Citibank Plaza
3 Garden Road, Central
Hong Kong

Credit Suisse Securities (Hong Kong) Limited
88th Floor, International Commerce Centre
1 Austin Road West, Kowloon
Hong Kong

Goldman Sachs (Asia) Securities Limited
68th Floor, Cheung Kong Center
2 Queen's Road Central
Hong Kong

J.P. Morgan Broking (Hong Kong) Limited
22nd Floor, Chater House
8 Connaught Road Central
Hong Kong

Merrill Lynch Far East Limited
15th Floor, Citibank Tower
3 Garden Road, Central
Hong Kong

Phillip Securities (Hong Kong) Limited
11th Floor, United Centre
95 Queensway
Hong Kong

UBS Securities Hong Kong Limited
52nd Floor, Two International Finance Centre
8 Finance Street, Central
Hong Kong

PING AN OF CHINA TRUST

REPORT OF THE MANAGER TO THE UNITHOLDERS

Ping An of China CSI RAFI A-Share 50 ETF*

(*This is a synthetic ETF)

(a Sub-Fund of Ping An of China Trust)

(Stock Code: 2818)

Introduction

Ping An of China CSI RAFI A-Share 50 ETF* (*This is a synthetic ETF) (the “A-Share 50 ETF”), is a sub-fund of the Ping An of China Trust (the “Trust”) with inception date of 4 May 2010, commenced trading under the stock code 2818 on the Stock Exchange of Hong Kong (the “SEHK”) on 7 May 2010. The A-Share 50 ETF is a Hong Kong unit trust authorized pursuant to section 104 of the Securities and Futures Ordinance (Cap. 571 of the laws of the Hong Kong SAR). It is an index-tracking fund, which seeks to track the performance of the CSI RAFI 50 Index (an A Shares index).

The A-Share 50 ETF aims to achieve its investment objective by investing in Base Securities (each of which is a financial derivative) which tracks the performance of the constituent A Shares of the CSI RAFI 50 Index by a replication or a representative sampling strategy. PRC withholding tax is not currently enforced on capital gains realized by QFIIs on the sale of A Shares. There is a risk that the PRC tax authorities may seek to collect tax on capital gains without giving any prior warning, and possibly, on a retrospective basis. Any capital gains tax levied on and payable by a QFII may be passed on to the A-Share 50 ETF to the extent that the tax is attributable to its holdings of Base Securities. The Base Securities Issuer(s) may withhold an amount equal to 10% of any gain on a Base Security on account of the PRC capital gain tax. Tax provisions are not made at the Index Fund level but are made by the Base Securities Issuer(s), and therefore any retrospective enforcement of capital gain tax which exceeds the amount withheld by the Base Securities Issuer(s) may result in a substantial loss to the A-Share 50 ETF. In the worst case scenario where the assets of the A-Share 50 ETF are not sufficient to meet the tax liability, the A-Share 50 ETF may become insolvent and may have to be terminated.

Performance of the A-Share 50 ETF

The A-Share 50 ETF aims to generate an investment return, before fees and taxes, that closely correspond to the performance of the CSI RAFI 50 Index denominated in Hong Kong dollar (“HK\$”) by primarily adopting a replication strategy. As at 31 December 2012, the Net Asset Value (“NAV”) per unit of the A-Share 50 ETF was HK\$25.1828, and the total outstanding units were 7,000,000. The total size of the A-Share 50 ETF was approximately HK\$176 million.

A summary of the performance of the A-Share 50 ETF (Note 1) is given below:

Performance (As at 31 December, 2012)	1-Month	3-Month	2012	2011	Since Inception
CSI RAFI 50 Index#	18.73%	18.34%	10.21%	-11.26%	-9.22%
NAV of the A-Share 50 ETF	18.29%	17.20%	8.50%	-12.99%	-13.80%
A-Share 50 ETF Mark-to-market (“MKT”) (Note 4)	17.91%	18.45%	7.00%	-17.06%	-10.03%

#Index performance is price return

PING AN OF CHINA TRUST

REPORT OF THE MANAGER TO THE UNITHOLDERS (continued)

Ping An of China CSI RAFI A-Share 50 ETF*

(*This is a synthetic ETF)

(a Sub-Fund of Ping An of China Trust)

(Stock Code: 2818)

Activities of the A-Share 50 ETF

According to data released by Bloomberg, the average daily trading volume of the A-Share 50 ETF was approximately 740 units during 2012. As at 31 December 2012, the total outstanding units were 7,000,000.

Activities of the Index

Review of the CSI RAFI 50 Index was conducted on 1st trading day of July each year. As at 31 December 2012, the A-Share 50 ETF comprised of all 50 constituent stocks in the CSI RAFI 50 Index.

Notes:

1. Past performance figures shown are not indicative of the future performance of the A-Share 50 ETF.
2. An investor cannot invest directly in the CSI RAFI 50 Index and the index returns do not reflect management fees, transaction costs or other expenses, which will reduce performance returns.
3. Units in the A-Share 50 ETF are issued and redeemed at NAV and its returns are calculated from NAV. The A-Share 50 ETF does not publish a bid price.
4. Market returns are calculated using historical market closing prices on the SEHK (when NAV is normally determined for the A-Share 50 ETF) since 7 May 2010 (listing date) and do not represent the returns you would receive if you traded units at other times.
5. Inception date is 4 May 2010, with an initial issue price of HK\$29.2811 per unit.

PING AN OF CHINA TRUST

REPORT OF THE MANAGER TO THE UNITHOLDERS (continued)

Ping An of China CSI HK Dividend ETF

(a Sub-Fund of Ping An of China Trust)

(Stock Code: 3070)

Introduction

Ping An of China CSI HK Dividend ETF (the “HK Dividend ETF”), is a sub-fund of the Trust and commenced trading under the stock code 3070 on the SEHK on 15 February 2012. The HK Dividend ETF is a Hong Kong unit trust authorized pursuant to section 104 of the Securities and Futures Ordinance (Cap. 571 of the laws of the Hong Kong SAR). It is an index-tracking fund, which seeks to track the performance of the CSI Hong Kong Dividend Index (the “HK Dividend Index”).

In order to achieve the investment objective, the HK Dividend ETF intends to primarily adopt a replication strategy to track the performance of its underlying index. The HK Dividend ETF will directly invest in substantially all of the constituent Securities of the underlying index (“Index Shares”) in substantially the same weightings (i.e. proportions) as these Index Shares have in the underlying index.

Performance of the HK Dividend ETF

The HK Dividend ETF aims to generate an investment return before fees that closely correspond to the performance of its underlying index denominated in Hong Kong dollar (“HK\$”) by primarily adopting a replication strategy. As at 31 December 2012, the NAV per unit of the HK Dividend ETF was HK\$21.4518 and the total outstanding units were 14,000,000. The total size of the HK Dividend ETF was approximately HK\$300 million.

A summary of the performance of the HK Dividend ETF is given below:

Performance (As at 31 December, 2012)	1-Month	3-Month	Since Inception##
HK Dividend Index#	0.01%	5.73%	11.80%
NAV of the HK Dividend ETF	-1.28%	4.50%	11.94%
HK Dividend ETF Mark-to-market (“MKT”) (Note 4)	-1.62%	3.92%	9.39%

Notes:

Fund performance is calculated without dividend reinvested

#Index performance is price return

##Inception date is 10 Feb 2012

Distribution History of the HK Dividend ETF

Ex-Dividend Date	Dividend Payment Date	Dividend Per Unit (HK\$)	Total Distribution (HK\$)
29 June 2012	16 July 2012	0.27	5,130,000
14 December 2012	28 December 2012	0.28	3,920,000

PING AN OF CHINA TRUST

REPORT OF THE MANAGER TO THE UNITHOLDERS (continued)

Ping An of China CSI HK Dividend ETF

(a Sub-Fund of Ping An of China Trust)

(Stock Code: 3070)

Activities of the HK Dividend ETF

According to data released by Bloomberg, the average daily trading volume of the HK Dividend ETF was approximately 19,000 units during 2012. As at 31 December 2012, the total outstanding units were 14,000,000.

Activities of the Underlying Index

Review of the HK Dividend Index was conducted on the 2nd Friday of December each year. As at 31 December 2012, the HK Dividend ETF comprised of all 30 constituent stocks in the index.

Notes:

1. Past performance figures shown are not indicative of the future performance of the HK Dividend ETF.
2. An investor cannot invest directly in the underlying index and the index returns do not reflect management fees, transaction costs or other expenses, which will reduce performance returns.
3. Units in the HK Dividend ETF are issued and redeemed at NAV and its returns are calculated from NAV. The HK Dividend ETF does not publish a bid price.
4. Market returns are calculated using historical market closing prices on the SEHK (when NAV is normally determined for the HK Dividend ETF) since 15 February 2012 (listing date) and do not represent the returns you would receive if you traded units at other times.
5. Inception date is 10 February 2012, with an initial issue price of HK\$19.1482 per unit.

PING AN OF CHINA TRUST

REPORT OF THE MANAGER TO THE UNITHOLDERS (continued)

Ping An of China CSI HK Mid Cap Select ETF

(a Sub-Fund of Ping An of China Trust)

(Stock Code: 3072)

Introduction

Ping An of China CSI HK Mid Cap Select ETF (the “HK Mid Cap Select ETF”) is a sub-fund of the Trust and commenced trading under the stock code 3072 SEHK on 15 February 2012. The HK Mid Cap Select ETF is a Hong Kong unit trust authorized pursuant to section 104 of the Securities and Futures Ordinance (Cap. 571 of the laws of the Hong Kong SAR). It is an index-tracking fund, which seeks to track the performance of the CSI Hong Kong Middle Cap Select Index (the “HK Mid Cap Index”).

In order to achieve the investment objective, the HK Mid Cap Select ETF intends to primarily adopt a replication strategy to track the performance of its underlying index. The HK Mid Cap Select ETF will directly invest in substantially all of the constituent Securities of the underlying index (“Index Shares”) in substantially the same weightings (i.e. proportions) as these Index Shares have in the underlying index.

Performance of the HK Mid Cap Select ETF

The HK Mid Cap Select ETF aims to generate an investment return before fees that closely correspond to the performance of its underlying index denominated in Hong Kong dollar (“HK\$”) by primarily adopting a replication strategy. As at 31 December 2012, the NAV per unit of the HK Mid Cap Select ETF was HK\$21.9809 and the total outstanding units were 3,500,000. The total size of the HK Mid Cap Select ETF was approximately HK\$77 million.

A summary of the performance of the HK Mid Cap Select ETF is given below:

Performance (As at 31 December, 2012)	1-Month	3-Month	Since Inception##
HK Mid Cap Index#	5.02%	16.52%	8.05%
NAV of the HK Mid Cap Select ETF	4.74%	15.77%	8.14%
HK Mid Cap Select ETF Mark-to-market (“MKT”) (Note 4)	4.83%	15.06%	5.85%

Notes:

Fund performance is calculated without dividend reinvested

#Index performance is price return

##Inception date is 10 Feb 2012

Activities of the HK Mid Cap Select ETF

According to data released by Bloomberg, the average daily trading volume of the HK Mid Cap Select ETF was approximately 5,000 during 2012. As at 31 December 2012, the total outstanding units were 3,500,000.

Activities of the Underlying Index

Review of the HK Mid Cap Index was conducted on 1st trading day of July and 2nd Friday of December each year. As at 31 December 2012, the HK Mid Cap Select ETF comprised of 100 constituent stocks in the index.

PING AN OF CHINA TRUST

REPORT OF THE MANAGER TO THE UNITHOLDERS (continued)

Ping An of China CSI HK Mid Cap Select ETF

(a Sub-Fund of Ping An of China Trust)

(Stock Code: 3072)

Notes:

1. Past performance figures shown are not indicative of the future performance of the HK Mid Cap Select ETF.
2. An investor cannot invest directly in the underlying index and the index returns do not reflect management fees, transaction costs or other expenses, which will reduce performance returns.
3. Units in the HK Mid Cap Select ETF are issued and redeemed at NAV and its returns are calculated from NAV. The HK Mid Cap Select ETF does not publish a bid price.
4. Market returns are calculated using historical market closing prices on the SEHK (when NAV is normally determined for the HK Mid Cap Select ETF) since 15 February 2012 (listing date) and do not represent the returns you would receive if you traded units at other times.
5. Inception date is 10 February 2012, with an initial issue price per unit of HK\$20.2608.

PING AN OF CHINA TRUST

REPORT OF THE MANAGER TO THE UNITHOLDERS (continued)

Ping An of China CSI RAFI HK50 ETF

(a Sub-Fund of Ping An of China Trust)

(Stock Code: 3098)

Introduction

Ping An of China CSI RAFI HK50 ETF (the “HK50 ETF”) is a sub-fund of the Trust and commenced trading under the stock code 3098 SEHK on 15 February 2012. The HK50 ETF is a Hong Kong unit trust authorized pursuant to section 104 of the Securities and Futures Ordinance (Cap. 571 of the laws of the Hong Kong SAR). It is an index-tracking fund, which seeks to track the performance of the CSI RAFI Hong Kong 50 Index (the “HK50 Index”).

In order to achieve the investment objective, the HK50 ETF intends to primarily adopt a replication strategy to track the performance of its underlying index. The HK50 ETF will directly invest in substantially all of the constituent Securities of the underlying index (“Index Shares”) in substantially the same weightings (i.e. proportions) as these Index Shares have in the underlying index.

Performance of the HK50 ETF

The HK50 ETF aims to generate an investment return before fees that closely correspond to the performance of its underlying index denominated in Hong Kong dollar (“HK\$”) by primarily adopting a replication strategy. As at 31 December 2012, the NAV per unit of the HK50 ETF was HK\$18.1609 and the total outstanding units were 12,500,000. The total size of the HK50 ETF was approximately HK\$227 million.

A summary of the performance of the HK50 ETF is given below:

Performance (As at 31 December, 2012)	1-Month	3-Month	Since Inception##
HK50 Index#	3.37%	10.47%	6.73%
NAV of the HK50 ETF	1.42%	8.31%	7.14%
HK50 ETF Mark-to-market (“MKT”) (Note 4)	1.46%	8.24%	4.50%

Notes:

Fund performance is calculated without dividend reinvested

#Index performance is price return

##Inception date is 10 Feb 2012

Dividend Distribution History of the HK50 ETF

Ex-Dividend Date	Dividend Payment Date	Dividend Per Unit (HK\$)	Total Distribution (HK\$)
14 December 2012	28 December 2012	0.32	5,120,000

Activities of the HK50 ETF

According to data released by Bloomberg, the average daily trading volume of the HK50 ETF was approximately 13,000 units during 2012. As at 31 December 2012, the total outstanding units were 12,500,000.

PING AN OF CHINA TRUST

REPORT OF THE MANAGER TO THE UNITHOLDERS (continued)

Ping An of China CSI RAFI HK50 ETF

(a Sub-Fund of Ping An of China Trust)

(Stock Code: 3098)

Activities of the Underlying Index

Review of the HK50 Index was conducted on the 1st trading day of July each year. As at 31 December 2012, the HK50 Index comprised of 50 constituent stocks in the index.

Notes:

1. Past performance figures shown are not indicative of the future performance of the HK50 ETF.
2. An investor cannot invest directly in the underlying index and the index returns do not reflect management fees, transaction costs or other expenses, which will reduce performance returns.
3. Units in the HK50 ETF are issued and redeemed at NAV and its returns are calculated from NAV. The HK50 ETF does not publish a bid price.
4. Market returns are calculated using historical market closing prices on the SEHK (when NAV is normally determined for the HK 50 ETF) since 15 February 2012 (listing date) and do not represent the returns you would receive if you traded units at other times.
5. Inception date is 10 February 2012, with an initial issue price per unit of HK\$16.9327.

Ping An of China Asset Management (Hong Kong) Company Limited
24 April 2013

PING AN OF CHINA TRUST

REPORT OF THE TRUSTEE TO THE UNITHOLDERS

We hereby confirm that, in our opinion, the Manager of the Ping An of China CSI RAFI A-Share 50 ETF>(*This is a synthetic ETF), Ping An of China CSI HK Dividend ETF, Ping An of China CSI HK Mid Cap Select ETF and Ping An of China CSI RAFI HK50 ETF (Sub-Funds of Ping An of China Trust) has, in all material respects, managed the Sub-Funds in accordance with the provisions of the Trust Deed dated 19 April 2010, as amended, for the year/period ended 31 December 2012.

HSBC Institutional Trust Services (Asia) Limited
24 April 2013

PING AN OF CHINA TRUST

STATEMENT OF RESPONSIBILITIES OF THE MANAGER AND THE TRUSTEE

Manager's Responsibilities

The Manager of the Ping An of China CSI RAFI A Share 50 ETF>(*This is a synthetic ETF), Ping An of China CSI HK Dividend ETF, Ping An of China CSI HK Mid Cap Select ETF and Ping An of China CSI RAFI HK50 ETF (Sub-Funds of Ping An of China Trust) is required by the Code on Unit Trusts and Mutual Funds established by the Securities & Futures Commission of Hong Kong (the "SFC Code") and the Trust Deed dated 19 April 2010, as amended, (the "Trust Deed") to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Sub-Funds at the end of that period and of the transactions for the period then ended. In preparing these financial statements the Manager is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are prudent and reasonable; and
- prepare the financial statements on the basis that the Sub-Funds will continue in operation unless it is inappropriate to assume this.

The Manager is also required to manage the Sub-Funds in accordance with the Trust Deed and take reasonable steps for the prevention and detection of fraud and other irregularities.

Ping An of China Trust (the "Trust") is an umbrella unit trust governed by its Trust Deed. As at 31 December 2012, the Trust has established with four Sub-Funds.

Trustee's Responsibilities

The Trustee of the Sub-Funds is required to:

- ensure that the Sub-Funds are managed by the Manager in accordance with the Trust Deed and that the investment and borrowing powers are complied with;
- satisfy itself that sufficient accounting and other records have been maintained;
- safeguard the property of the Sub-Funds and rights attaching thereto; and
- report to the unitholders for each annual accounting period on the conduct of the Manager in the management of the Sub-Funds.

**Independent auditors' report
To the unitholders of Ping An of China Trust**

We have audited the financial statements of Ping An of China CSI RAFI A-Share 50 ETF>(*This is a synthetic ETF), Ping An of China CSI HK Dividend ETF, Ping An of China CSI HK Mid Cap Select ETF and Ping An of China CSI RAFI HK50 ETF (each a separate sub-fund of Ping An of China Trust (the "Trust") and referred to individually or collectively as the "Sub-Funds") set out on pages 15 to 65, which comprise the statements of financial position as at 31 December 2012 and the statements of comprehensive income, the statements of changes in net assets attributable to unitholders and the statements of cash flows for the year then ended, for Ping An of China CSI RAFI A-Share 50 ETF>(*This is a synthetic ETF), and for the period from 10 February 2012 (date of inception) to 31 December 2012 for Ping An of China CSI HK Dividend ETF, Ping An of China CSI HK Mid Cap Select ETF and Ping An of China CSI RAFI HK50 ETF, and the statements of distribution for the period from 10 February 2012 (date of inception) to 31 December 2012 for Ping An of China CSI HK Dividend ETF and Ping An of China CSI RAFI HK50 ETF, and a summary of significant accounting policies and other explanatory information.

Trustee's and Manager's Responsibility for the Financial Statements

The Trustee and the Manager of the Sub-Funds are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards, and for such internal control as the Trustee and the Manager determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In addition, the Trustee and the Manager also have a responsibility to ensure that the financial statements have been properly prepared in accordance with the relevant disclosure provisions of the trust deed dated 19 April 2010, as amended, (the "Trust Deed") and the disclosure requirements specified in Appendix E to the Code on Unit Trusts and Mutual Funds of the Securities and Futures Commission of Hong Kong (the "SFC Code").

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. Our report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audits in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements, and whether the financial statements have been properly prepared in accordance with the relevant disclosure provisions of the Trust Deed and the disclosure requirements specified in Appendix E to the SFC Code.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation of the financial statements that give a true and fair value in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Trustee and the Manager, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independent auditors report (continued)
To the unitholders of Ping An of China Trust

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of each of the Sub-Funds as at 31 December 2012, and of each of their financial performance and cash flows for the year then ended for Ping An of China CSI RAFI A-Share 50 ETF>(*This is a synthetic ETF), and for the period from 10 February 2012 (date of inception) to 31 December 2012 for Ping An of China CSI HK Dividend ETF, Ping An of China CSI HK Mid Cap Select ETF and Ping An of China CSI RAFI HK50 ETF in accordance with International Financial Reporting Standards.

Report on Other Legal and Regulatory Requirements

In our opinion, the financial statements have been properly prepared in accordance with the relevant disclosure provisions of the Trust Deed and the disclosure requirements specified in Appendix E to the SFC Code.

Hong Kong
24 April 2013

SUB-FUNDS OF PING AN OF CHINA TRUST

STATEMENT OF FINANCIAL POSITION

As at 31 December 2012

		Ping An of China CSI RAFI A-Share 50 ETF* (*This is a synthetic ETF)	
	Notes	2012 HK\$	2011 HK\$
ASSETS			
Financial assets at fair value through profit or loss	11	176,661,402	371,727,479
Other receivables		954,584	765,165
Cash and cash equivalents	12	<u>921,080</u>	<u>1,821,655</u>
TOTAL ASSETS		<u><u>178,537,066</u></u>	<u><u>374,314,299</u></u>
LIABILITIES			
Management fee payable	6	134,214	309,167
Trustee fee payable	6	70,000	70,000
Risk mitigation expenses payable	6	261,181	662,292
Accounts payable and accrued liabilities		<u>1,791,741</u>	<u>1,656,759</u>
TOTAL LIABILITIES		<u><u>2,257,136</u></u>	<u><u>2,698,218</u></u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	5, 13	<u><u>176,279,930</u></u>	<u><u>371,616,081</u></u>
NET ASSET VALUE PER UNIT		<u><u>25.18</u></u>	<u><u>23.23</u></u>

The accompanying notes are an integral part of these financial statements.

SUB-FUNDS OF PING AN OF CHINA TRUST

STATEMENT OF FINANCIAL POSITION (continued)

As at 31 December 2012

	Notes	Ping An of China CSI HK Dividend ETF 2012 HK\$	Ping An of China CSI HK Mid Cap Select ETF 2012 HK\$	Ping An of China CSI RAFI HK50 ETF 2012 HK\$
ASSETS				
Financial assets at fair value through profit or loss	11	298,502,291	76,424,801	225,611,295
Dividend receivable		1,207,180	59,214	61,539
Cash and cash equivalents	12	<u>1,091,487</u>	<u>802,586</u>	<u>1,881,699</u>
TOTAL ASSETS		<u><u>300,800,958</u></u>	<u><u>77,286,601</u></u>	<u><u>227,554,533</u></u>
LIABILITIES				
Management fee payable	6	147,048	38,838	129,522
Trustee fee payable	6	70,000	70,000	70,000
Accounts payable and accrued liabilities		<u>259,027</u>	<u>244,724</u>	<u>344,044</u>
TOTAL LIABILITIES		<u>476,075</u>	<u>353,562</u>	<u>543,566</u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	13	<u><u>300,324,883</u></u>	<u><u>76,933,039</u></u>	<u><u>227,010,967</u></u>
NET ASSET VALUE PER UNIT		<u><u>21.45</u></u>	<u><u>21.98</u></u>	<u><u>18.16</u></u>

The accompanying notes are an integral part of these financial statements.

SUB-FUNDS OF PING AN OF CHINA TRUST
STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2012

		Ping An of China CSI RAFI A-Share 50 ETF* (*This is a synthetic ETF)	
	Notes	2012 HK\$	2011 HK\$
INCOME			
Dividend income		<u>10,135,619</u>	<u>9,493,241</u>
		<u>10,135,619</u>	<u>9,493,241</u>
EXPENSES			
Management fee	6	(2,932,087)	(4,776,162)
Trustee fee	6	(840,000)	(875,000)
Base security fee and charges	6	(901,102)	(1,473,482)
Transaction fee	6	(579,210)	(692,775)
Risk mitigation expenses	6	(6,095,460)	(8,107,507)
Accounting and professional fee		(182,631)	(174,675)
Audit fee		(183,580)	(174,480)
Safe custody and bank charges	6	(127,457)	(145,236)
Legal fee		(512,794)	(1,308,268)
Index licensing fee		(490,749)	(479,315)
Other operating expenses		(14,864)	(20,721)
		<u>(12,859,934)</u>	<u>(18,227,621)</u>
LOSS BEFORE INVESTMENT AND EXCHANGE GAINS/(LOSSES)			
		(2,724,315)	(8,734,380)
INVESTMENT AND EXCHANGE DIFFERENCES			
Net realised losses on financial assets at fair value through profit or loss		(68,038,498)	(5,375,418)
Net change in unrealised gains/losses on financial assets at fair value through profit or loss		69,995,306	(36,397,933)
Net exchange losses		<u>(14,049)</u>	<u>(17,304)</u>
		<u>1,942,759</u>	<u>(41,790,655)</u>
LOSS BEFORE TAXATION			
		<u>(781,556)</u>	<u>(50,525,035)</u>
TAXATION			
	9	<u>(1,319,495)</u>	<u>(2,091,522)</u>
TOTAL COMPREHENSIVE EXPENSE FOR THE YEAR			
		<u>(2,101,051)</u>	<u>(52,616,557)</u>

The accompanying notes are an integral part of these financial statements.

SUB-FUNDS OF PING AN OF CHINA TRUST

STATEMENT OF COMPREHENSIVE INCOME (continued)

For the period from 10 February 2012 (date of inception) to 31 December 2012

	Notes	Ping An of China CSI HK Dividend ETF HK\$	Ping An of China CSI HK Mid Cap Select ETF HK\$	Ping An of China CSI RAFI HK50 ETF HK\$
INCOME				
Dividend income		15,399,215	3,411,839	12,170,048
		<u>15,399,215</u>	<u>3,411,839</u>	<u>12,170,048</u>
EXPENSES				
Management fee	6	(1,811,115)	(585,016)	(1,661,127)
Trustee fee	6	(748,276)	(748,276)	(748,276)
Transaction fee	6	(121,997)	(104,145)	(173,681)
Accounting and professional fee		(19,500)	(19,500)	(19,500)
Audit fee		(140,398)	(140,398)	(132,601)
Preliminary expenses		(1,050,744)	(1,050,733)	(1,050,744)
Safe custody and bank charges	6	(183,438)	(67,742)	(162,681)
Interest expenses		(24)	-	-
Index licensing fee		(125,836)	(115,824)	(239,125)
Other operating expenses		(60,390)	(31,697)	(49,758)
		<u>(4,261,718)</u>	<u>(2,863,331)</u>	<u>(4,237,493)</u>
PROFIT BEFORE INVESTMENT AND EXCHANGE GAINS		11,137,497	548,508	7,932,555
INVESTMENT AND EXCHANGE DIFFERENCES				
Net realised gains on financial assets at fair value through profit or loss		12,923,998	766,970	5,467,459
Net change in unrealised gains on financial assets at fair value through profit or loss		29,431,844	6,237,388	16,018,953
Net exchange losses		(668)	(180)	(621)
		<u>42,355,174</u>	<u>7,004,178</u>	<u>21,485,791</u>
PROFIT BEFORE TAXATION		<u>53,492,671</u>	<u>7,552,686</u>	<u>29,418,346</u>
TAXATION	9	(93,688)	(117,647)	(701,979)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u><u>53,398,983</u></u>	<u><u>7,435,039</u></u>	<u><u>28,716,367</u></u>

The accompanying notes are an integral part of these financial statements.

SUB-FUNDS OF PING AN OF CHINA TRUST

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

For the year ended 31 December 2012

		Ping An of China CSI RAFI A-Share 50 ETF* (*This is a synthetic ETF)	
	Note	2012 HK\$	2011 HK\$
BALANCE BROUGHT FORWARD		<u>371,616,081</u>	<u>587,952,238</u>
Payment on redemption of units			
- In-kind	7	(191,282,869)	(163,718,077)
- Cash component and cash redemption		<u>(1,952,231)</u>	<u>(1,523)</u>
Net decrease from unit transactions		(193,235,100)	(163,719,600)
Total comprehensive loss for the year		<u>(2,101,051)</u>	<u>(52,616,557)</u>
Net assets attributable to unitholders at 31 December		<u><u>176,279,930</u></u>	<u><u>371,616,081</u></u>

The accompanying notes are an integral part of these financial statements.

SUB-FUNDS OF PING AN OF CHINA TRUST

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (continued)

For the period from 10 February 2012 (date of inception) to 31 December 2012

	Note	Ping An of China CSI HK Dividend ETF HK\$	Ping An of China CSI HK Mid Cap Select ETF HK\$	Ping An of China CSI RAFI HK50 ETF HK\$
Net assets attributable to unitholders at 10 February 2012 (date of inception)		-	-	-
Proceeds on issue of units				
- In-kind	7	361,511,081	129,328,189	352,911,844
- Cash component and cash subscription		2,762,819	2,561,411	2,674,856
Payment on redemption of units				
- In-kind	7	(107,974,621)	(62,082,028)	(151,718,332)
- Cash component and cash redemption		(323,379)	(309,572)	(453,768)
Net increase from unit transactions		255,975,900	69,498,000	203,414,600
Total comprehensive income for the period		53,398,983	7,435,039	28,716,367
Distributions to unitholders		(9,050,000)	-	(5,120,000)
Net assets attributable to unitholders at 31 December		<u>300,324,883</u>	<u>76,933,039</u>	<u>227,010,967</u>

The accompanying notes are an integral part of these financial statements.

SUB-FUNDS OF PING AN OF CHINA TRUST

STATEMENT OF DISTRIBUTION

For the period from 10 February 2012 (date of inception) to 31 December 2012

	Note	Ping An of China CSI HK Dividend ETF HK\$	Ping An of China CSI RAFI HK50 ETF HK\$
Total comprehensive income for the period		53,398,983	28,716,367
Less: Net change in unrealised gain on financial assets at fair value through profit or loss		<u>(29,431,844)</u>	<u>(16,018,953)</u>
Undistributed income before distribution		23,967,139	12,697,414
Interim distribution distributed on 16 July 2012 (HK\$0.27 per unit)	10	(5,130,000)	-
Final distribution distributed on 28 December 2012 (HK\$0.28 per unit)	10	(3,920,000)	-
Final distribution distributed on 28 December 2012 (HK\$0.32 per unit)	10	-	(5,120,000)
Transfer to capital		<u>(14,917,139)</u>	<u>(7,577,414)</u>
Undistributed income at 31 December 2012		<u><u>-</u></u>	<u><u>-</u></u>

The amount to be distributed to unitholders, if any, will be derived from the net income of the Sub-Funds.
No amount payable to unitholders in respect of any distribution shall bear interest.

SUB-FUNDS OF PING AN OF CHINA TRUST

STATEMENT OF CASH FLOWS

For the year ended 31 December 2012

		Ping An of China CSI RAFI A-Share 50 ETF* (*This is a synthetic ETF)	
	Note	2012 HK\$	2011 HK\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(781,556)	(50,525,035)
Adjustments for:			
Dividend income		(10,135,619)	(9,493,241)
Net realised losses on financial assets at fair value through profit or loss		68,038,498	5,375,418
Net change in unrealised gains/losses on financial assets at fair value through profit or loss		(69,995,306)	36,397,933
		<u>(12,873,983)</u>	<u>(18,244,925)</u>
Purchase of financial assets at fair value through profit or loss		(37,905,363)	(58,143,864)
Proceeds from sales of investments		43,645,379	69,265,853
Increase in other accounts receivable		(189,419)	(727,184)
Decrease in management fee payable		(174,953)	(183,084)
Decrease in trustee fee payable		-	(6,121)
Decrease in risk mitigation expenses payable		(401,111)	(682,711)
Decrease in accounts payable and accrued liabilities		(157,170)	(357,540)
Cash used in operations		<u>(8,056,620)</u>	<u>(9,079,576)</u>
Dividend received		10,135,619	9,493,241
Taxation paid		(1,027,343)	(1,043,480)
Net cash flows generated from/(used in) operating activities		<u>1,051,656</u>	<u>(629,815)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash component paid on redemption of units		<u>(1,952,231)</u>	<u>(1,523)</u>
Net cash flows used in financing activities		<u>(1,952,231)</u>	<u>(1,523)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS			
		(900,575)	(631,338)
Cash and cash equivalents at the beginning of the year		<u>1,821,655</u>	<u>2,452,993</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	12	<u><u>921,080</u></u>	<u><u>1,821,655</u></u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and cash equivalents as stated in the statement of financial position and the statement of cash flows	12	<u><u>921,080</u></u>	<u><u>1,821,655</u></u>

The accompanying notes are an integral part of these financial statements.

SUB-FUNDS OF PING AN OF CHINA TRUST

STATEMENT OF CASH FLOWS (continued)

For the period from 10 February 2012 (date of inception) to 31 December 2012

	Ping An of China CSI HK Dividend ETF HK\$ Note	Ping An of China CSI HK Mid Cap Select ETF HK\$	Ping An of China CSI RAFI HK50 ETF HK\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax	53,492,671	7,552,686	29,418,346
Adjustments for			
Dividend income	(15,399,215)	(3,411,839)	(12,170,048)
Net realised gains on financial assets at fair value through profit or loss	(12,923,998)	(766,970)	(5,467,459)
Net change in unrealised gains on financial assets at fair value through profit or loss	(29,431,844)	(6,237,388)	(16,018,953)
	<u>(4,262,386)</u>	<u>(2,863,511)</u>	<u>(4,238,114)</u>
Purchase of financial assets at fair value through profit or loss	(41,825,252)	(25,237,307)	(45,698,387)
Proceeds from sales of investments	39,215,263	23,063,025	42,767,016
Increase in management fee payable	147,048	38,838	129,522
Increase in trustee fee payable	70,000	70,000	70,000
Increase in accounts payable and accrued liabilities	259,027	244,724	344,044
Cash used in operations	<u>(6,396,300)</u>	<u>(4,684,231)</u>	<u>(6,625,919)</u>
Dividend received	14,192,035	3,352,625	12,108,509
Taxation paid	<u>(93,688)</u>	<u>(117,647)</u>	<u>(701,979)</u>
Net cash flows from/(used in) operating activities	<u>7,702,047</u>	<u>(1,449,253)</u>	<u>4,780,611</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash component received on issue of units	2,762,819	2,561,411	2,674,856
Cash component paid on redemption of units	(323,379)	(309,572)	(453,768)
Distributions paid	<u>(9,050,000)</u>	<u>-</u>	<u>(5,120,000)</u>
Net cash flows (used in)/from financing activities	<u>(6,610,560)</u>	<u>2,251,839</u>	<u>(2,898,912)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,091,487	802,586	1,881,699
Cash and cash equivalents at the beginning of the period	<u>-</u>	<u>-</u>	<u>-</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	12 <u><u>1,091,487</u></u>	<u><u>802,586</u></u>	<u><u>1,881,699</u></u>

The accompanying notes are an integral part of these financial statements

SUB-FUNDS OF PING AN OF CHINA TRUST

STATEMENT OF CASH FLOWS (continued)

For the period from 10 February 2012 (date of inception) to 31 December 2012

	Note	Ping An of China CSI HK Dividend ETF HK\$	Ping An of China CSI HK Mid Cap Select ETF HK\$	Ping An of China CSI RAFI HK50 ETF HK\$
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS				
Cash and cash equivalents as stated in the statement of financial position and the statement of cash flows	12	<u>1,091,487</u>	<u>802,586</u>	<u>1,881,699</u>

The accompanying notes are an integral part of these financial statements

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

1. THE TRUST

Ping An of China Trust (the “Trust”) is an umbrella unit trust governed by its Trust Deed dated 19 April 2010, as amended (the “Trust Deed”) and authorised by the Securities & Futures Commission of Hong Kong (The “SFC”) pursuant to Section 104(1) of the Securities and Futures Ordinance. Authorisation by the SFC does not imply official approval or recommendation.

As at 31 December 2012, the Trust has established four sub-funds (each a separate sub-fund of the Trust and referred to individually as the “Sub-Fund” or collectively as the “Sub-Funds”).

Names of the Sub-Funds	Listing Dates on the stock exchange of Hong Kong Limited (The “SEHK”)	Listing codes
Ping An of China CSI RAFI A-Share 50 ETF* (*This is a synthetic ETF)	7 May 2010	2818
Ping An of China CSI HK Dividend ETF	15 February 2012	3070
Ping An of China CSI HK Mid Cap Select ETF	15 February 2012	3072
Ping An of China CSI RAFI HK50 ETF	15 February 2012	3098

These financial statements relate to the sub-funds of the Trust. The manager of the Trust is Ping An of China Asset Management (Hong Kong) Company Limited (the “Manager”) and the trustee is HSBC Institutional Trust Services (Asia) Limited (the “Trustee”). The Trustee and the Manager (the “Management”) are responsible for the preparation of the financial statements.

Ping An of China CSI RAFI A-Share 50 ETF* (*This is a synthetic ETF)

The investment objective of the Sub-Fund is to provide investment results that closely correspond to the performance of the CSI RAFI 50 Index, which is the first fundamental index in China A-share market co-developed by CSI and Research Affiliates consisting of the 50 largest economic scale stocks in China’s A-share market (an A Share index). The Sub-Fund does not invest directly in A shares but rather gains access to the CSI RAFI 50 Index through base securities (“Base Securities”, each of which is a financial derivative) which track the performance of the constituent A Shares of the CSI RAFI 50. Base Securities do not provide the Sub-Fund any legal or equitable interest of any type in the underlying A Shares but represent an obligation of each Base Securities issuer to provide the economic performance equivalent to holding the underlying A Shares.

Prior to 31 July 2012 there were two Base Securities issuers for the Sub-Fund. They are Citigroup Global Markets Holdings Inc. and UBS AG, London Branch (the “Base Securities Issuer”).

As at 31 December 2012, there was only one Base Securities issuer for the Sub-Fund. That is UBS AG, London Branch.

Ping An of China CSI HK Dividend ETF

The investment objective of the Sub-Fund is to provide investment results that closely correspond to the performance of the CSI Hong Kong Dividend Index, which measures the performance of high dividend yield securities in the Hong Kong market by selecting the 30 securities with high dividend yield, stable dividend payment and good liquidity. The Sub-Fund directly invests in the constituent securities of CSI Hong Kong Dividend Index. The underlying index does not have China A share or B share constituent stocks.

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

1. THE TRUST (continued)

Ping An of China CSI HK Mid Cap Select ETF

The investment objective of the Sub-Fund is to provide investment results that closely correspond to the performance of the CSI Hong Kong Middle Cap Select Index, which measures the performance of the 100 middle size securities in Hong Kong market selected based on their daily average trading value and daily average total market value. The Sub-Fund directly invests in substantially all of the constituent securities of the CSI Hong Kong Middle Cap Select Index. The underlying index does not have China A share or B share constituent stocks.

Ping An of China CSI RAFI HK50 ETF

The investment objective of the Sub-Fund is to provide investment results that closely correspond to the performance of the CSI RAFI Hong Kong 50 Index, which is a stock index consisting of the 50 largest stocks listed on the Stock Exchange of Hong Kong. The CSI RAFI Hong Kong 50 Index is different from the traditional capitalization-weighted indices in that the underlying index's constituent selection and calculation are based on the stocks economic scale, which in turn, is measured based on four financial factors, namely, revenue, cash flow, book value and dividends. The CSI RAFI Hong Kong 50 Index does not have China A Share or B Share constituent stocks.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standard Board ("IASB"), and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB and the relevant disclosure provisions of the Trust Deed dated 19 April 2010, as amended, and the relevant disclosure provisions specified in Appendix E of the Code on Unit Trusts and Mutual Funds of the Securities and Futures Commission of Hong Kong.

They have been prepared on a historical cost basis, except for financial assets classified at fair value through profit or loss, that have been measured at fair value.

The financial statements are presented in Hong Kong dollars ("HK\$") and all values are rounded to the nearest Hong Kong dollar except where otherwise indicated.

The preparation of financial statements in uniformity with IFRSs requires the use of certain critical accounting estimates. It also requires the Management to exercise their judgment in the process of applying the Sub-Funds' accounting policies. The area involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

2.2 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

The Sub-Funds have adopted the following revised IFRSs for the first time for the current year's financial statements.

IFRS 1 Amendments	Amendments to IFRS 1 <i>First-time Adoption of International Financial Reporting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters</i>
IFRS 7 Amendments	Amendments to HKFRS 7 <i>Financial Instruments: Disclosures – Transfers of Financial Assets</i>
IFRS 13	<i>Fair Value measurement</i> ¹
IAS 12 Amendments	Amendments to HKAS 12 <i>Income Taxes – Deferred Tax: Recovery of Underlying Assets</i>

¹ The Sub-Funds have early adopted IFRS 13. The new accounting policy shall be applied prospectively for annual period beginning on 1 January 2012.

IFRS 7 Financial Instruments: Disclosures — Enhanced Derecognition Disclosure Requirements

The amendment requires additional disclosure about financial assets that have been transferred but not derecognised to enable the user of the financial statements to understand the relationship with those assets that have not been derecognised and their associated liabilities. In addition, the amendment requires disclosures about continuing involvement in derecognised assets to enable the user to evaluate the nature of, and risks associated with, the entity's continuing involvement in those derecognised assets. The amendment affects disclosure only and has no impact on the Sub-Funds' financial position or performance.

IFRS 13 Fair Value measurement

IFRS 13 establishes a single source of guidance under IFRS for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. If an asset or a liability measured at fair value has a bid price and an ask price, the standard requires valuation to be based on a price within the bid-ask spread that is most representative of fair value and allows the use of mid-market pricing or other pricing conventions that are used by market participants as a practical expedient for fair value measurement within a bid-ask spread. On adoption of the standard, the Sub-Funds uses last traded prices as its valuation inputs for listed financial assets and liabilities to be consistent with the inputs prescribed in the Sub-Funds' offering document for the calculation of its per unit trading value for subscriptions and redemptions. The use of last traded prices is recognised as a standard pricing convention within the industry.

2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Sub-Funds have not applied the following new and revised IFRSs that have been issued but are not yet effective, in these financial statements.

IFRS 1 Amendments	Amendments to IFRS 1 <i>First-time Adoption of Hong Kong Financial Reporting Standards – Government Loans</i> ²
IFRS 7 Amendments	Amendments to IFRS 7 <i>Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities</i> ²
IFRS 9	<i>Financial Instruments</i> ⁴
IFRS 10	<i>Consolidated Financial Statements</i> ²

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS (continued)

IFRS 11	<i>Joint Arrangements</i> ²
IFRS 12	<i>Disclosure of Interests in Other Entities</i> ²
IFRS 10, IFRS 11 and IFRS 12 Amendments	Amendments to IFRS 10, IFRS 11 and IFRS 12 – <i>Transition Guidance</i> ²
IFRS 10, IFRS 12 and IAS 27 (2011) Amendments	Amendments to IFRS 10, IFRS 12 and IAS 27 (2011) – <i>Investment Entities</i> ³
IAS 1 Amendments	Amendments to IAS 1 <i>Presentation of Financial Statements – Presentation of Items of Other Comprehensive Income</i> ¹
IAS 19 (2011)	<i>Employee Benefits</i> ²
IAS 27 (2011)	<i>Separate Financial Statements</i> ²
IAS 28 (2011)	<i>Investments in Associates and Joint Ventures</i> ²
IAS 32 Amendments	Amendments to IAS 32 <i>Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities</i> ³
I(IFRIC)-Int 20 <i>Annual Improvements 2009-2011 Cycle</i>	<i>Stripping Costs in the Production Phase of a Surface Mine</i> ² Amendments to a number of IFRSs issued in June 2012 ²

¹ Effective for annual periods beginning on or after 1 July 2012

² Effective for annual periods beginning on or after 1 January 2013

³ Effective for annual periods beginning on or after 1 January 2014

⁴ Effective for annual periods beginning on or after 1 January 2015

Further information about those IFRSs that are expected to be applicable to the Sub-Funds is as follows:

IAS 1 *Financial Statement Presentation – Presentation of Items of Other Comprehensive Income*

The amendments to IAS 1 change the grouping of items presented in other comprehensive income. Items that could be reclassified (or ‘recycled’) to profit or loss at a future point in time (for example, upon derecognition or settlement) would be presented separately from items that will never be reclassified. The amendment affects presentation only and has no impact on the Sub-Funds’ financial position or performance. The amendment becomes effective for annual periods beginning on or after 1 July 2012.

The IFRS 7 Amendments require an entity to disclose information about rights to set-off and related arrangements (e.g., collateral agreements). The disclosures would provide users with information that is useful in evaluating the effect of netting arrangements on an entity’s financial position. The new disclosures are required for all recognised financial instruments that are set off in accordance with IAS 32 *Financial Instruments: Presentation*. The disclosures also apply to recognised financial instruments that are subject to an enforceable master netting arrangement or similar agreement, irrespective of whether they are set off in accordance with IAS 32. The Sub-Funds expect to adopt the amendments from 1 January 2013.

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS (continued)

IFRS 9 Financial Instruments: Classification and Measurement

IFRS 9 as issued reflects the first phase of the IASB's work on the replacement of IAS 39 and applies to classification and measurement of financial assets and financial liabilities as defined in IAS 39. The standard is effective for annual periods beginning on or after 1 January 2013. In subsequent phases, the IASB will address hedge accounting and impairment of financial asset. The adoption of the first phase of IFRS 9 will have an effect on the classification and measurement of the Funds' financial assets but will potentially have no impact on classification and measurements of financial liabilities. The Sub-Funds will quantify the effect in conjunction with the other phases, when issued, to present a comprehensive picture.

The IAS 32 Amendments clarify the meaning of "currently has a legally enforceable right to setoff" for offsetting financial assets and financial liabilities. The amendments also clarify the application of the offsetting criteria in IAS 32 to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous. The amendment affects presentation only and has no impact on the Sub-Fund's financial position or performance. The Sub-Funds expect to adopt the amendments from 1 January 2014.

The *Annual Improvements to IFRSs 2009-2011 Cycle* issued in May 2012 sets out amendments to a number of IFRSs. The Sub-Funds expect to adopt the amendments from 1 January 2013.

- (a) *IAS 1 Presentation of Financial Statements*: Clarifies the difference between voluntary additional comparative information and the minimum required comparative information. Generally, the minimum required comparative period is the previous period. An entity must include comparative information in the related notes to the financial statements when it voluntarily provides comparative information beyond the previous period. The additional comparative information does not need to contain a complete set of financial statements.

In addition, the amendment clarifies that the opening statement of financial position as at the beginning of the preceding period must be presented when an entity changes its accounting policies; makes retrospective restatements or makes reclassifications, and that change has a material effect on the statement of financial position. However, the related notes to the opening statement of financial position as at the beginning of the preceding period are not required to be presented.

- (b) *IAS 32 Financial Instruments, Presentation*: This improvement clarifies that income taxes arising from distributions to equity holders are accounted for in accordance with IAS 12 *Income Taxes*. The amendment removes existing income tax requirements from IAS 32 and requires entities to apply the requirements in IAS 12 to any income tax arising from distributions to equity holders.

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial instruments

(a) *Classification*

The Sub-Funds classify their financial assets and liabilities into the categories below in accordance with IAS 39.

Financial assets at fair value through profit or loss

Financial assets designated as at fair value through profit or loss upon initial recognition: these include equity securities and debt instruments that are not held for trading. These financial assets are designated upon initial recognition on the basis that they are part of a group of financial assets which are managed and have their performance evaluated on a fair value basis, in accordance with risk management and investment strategies of the Sub-Funds (note 15). This category includes listed equity securities and derivative contracts.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Sub-Funds include in this category amounts relating to cash and cash equivalent and other short-term receivables.

Financial liabilities

This category includes all financial liabilities. The Sub-Funds include in this category amounts relating to management fee payable, custodian, fund administration and trustee fee payable, accrued liabilities and other short-term payables.

(b) *Recognition*

The Sub-Funds recognise a financial asset or financial liability when, and only when, they become a party to the contractual provisions of the instrument.

Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Sub-Funds commit to purchase or sell the financial asset.

(c) *Initial measurement*

Financial assets at fair value through profit or loss are recorded in the statement of financial position at fair value. All transaction costs for such instruments are recognised directly in profit or loss.

Loans and receivables and financial liabilities (other than those classified as designated as at fair value through profit or loss) are measured initially at their fair value plus any directly attributable incremental costs of acquisition or issue.

(d) *Subsequent measurement*

After initial measurement, the Sub-Funds measure financial instruments which are classified as at fair value through profit or loss at fair value. Subsequent changes in the fair value of those financial instruments are recorded in "Net change in unrealised gains on financial assets at fair value through profit or loss". Interests earned of such instruments are recorded separately in "Interest income on financial assets at fair value through profit and loss".

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

(d) *Subsequent measurement (continued)*

Loans and receivables are carried at amortised cost using the effective interest method less any allowance for impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Financial liabilities, other than those classified as at fair value through profit or loss, are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, as well as through the amortisation process.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Sub-Funds estimate cash flows considering all contractual terms of the financial instruments, but does not consider future credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

(e) *Derecognition*

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- The rights to receive cash flows from the asset have expired or the Sub-Funds have transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass through arrangement; and
- Either (a) the Sub-Funds have transferred substantially all the risks or rewards of the asset, or (b) the Sub-Funds have neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

When the Sub-Funds have transferred its rights to receive cash flows from an asset or have entered into a pass-through arrangement, and have neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Sub-Funds' continuing involvement in the asset. In that case, the Sub-Funds also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Sub-Funds have retained.

The Sub-Funds derecognise a financial liability when the obligation under the liability is justified, discharged, cancelled or expires.

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Determination of fair value

The Sub-Funds have early adopted the IFRS 13, “Fair Value Measurement”. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When a price for an identical asset or liability is not observable, an entity measures fair value using another valuation technique that maximises the use of relevant observable inputs and minimises the use of unobservable inputs.

An analysis of fair values of financial instruments and further details as to how they are measured are provided in note 15 to the financial statements.

Impairment of financial assets

The Sub-Funds assess at each reporting date whether a financial asset or group of financial assets classified as loans and receivables is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is an objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (an incurred “loss event”) and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtor, or a group of debtors, is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and, where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults. If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset’s carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred) discounted using the asset’s original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in profit or loss as “Credit loss expense”.

Impaired debts, together with the associated allowance, are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Sub-Funds. If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a previous write-off is later recovered, the recovery is credited to the profit or loss.

Interest revenue on impaired financial assets is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand, demand deposits, short-term deposits in banks and short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, with original maturities of three months or less.

Short-term investments that are not held for the purpose of meeting short-term cash commitments and restricted margin accounts are not considered as “cash and cash equivalents”.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts when applicable.

Redeemable units

Redeemable units are classified as equity instruments when:

- The redeemable units entitle the holder to a pro rata share of the Sub-Funds’ net assets in the event of the Sub-Funds’ liquidation.
- The redeemable units are in the class of instruments that is subordinate to all other classes of instruments.
- All redeemable units in the class of instruments that is subordinate to all other classes of instruments have identical features.
- The redeemable units do not include any contractual obligation to deliver cash or another financial asset other than the holder’s rights to a pro rata share of the Sub-Funds’ net assets.
- The total expected cash flows attributable to the redeemable units over the life of the instrument are based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Sub-Funds over the life of the instrument.

In addition to the redeemable units having all the above features, the Sub-Funds must have no other financial instrument or contract that has:

- Total cash flows based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Sub-Funds and
- The effect of substantially restricting or fixing the residual return to the redeemable unitholders.

The Sub-Funds’ redeemable units meet the definition of puttable instruments classified as equity instruments under the revised IAS 32.

The Sub-Funds continuously assess the classification of the redeemable units. If the redeemable units cease to have all the features or meet all the conditions set out to be classified as equity, the Sub-Funds will reclassify them as financial liabilities and measure them at fair value at the date of reclassification, with any differences from the previous carrying amount recognised in equity. If the redeemable units subsequently have all the features and meet the conditions to be classified as equity, the Sub-Funds will reclassify them as equity instruments and measure them at the carrying amount of the liabilities at the date of the reclassification.

The issuance, acquisition and cancellation of redeemable units are accounted for as financial liabilities transactions. Upon issuance of redeemable units, the consideration received is included in equity.

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Redeemable units (continued)

Transaction costs incurred by the Sub-Funds in issuing or its own equity instruments are accounted for as a deduction from equity to the extent that they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

Own equity instruments which are reacquired are deducted from equity and accounted for at amounts equal to the consideration paid, including any directly attributable incremental costs.

No gain or loss is recognised in profit or loss on the purchase, sale issuance or cancellation of Sub-Funds' own equity instruments.

Collateral arrangement

Ping An of China CSI RAFL A-Share 50 ETF (*This is a synthetic ETF)*

The Manager is required to manage the Sub-Fund at least 100% of the Sub-Fund's gross total counterparty risk exposure to each Base Securities Issuer with the value of the collateral marked to market by the end of each trading day. In order to mitigate the potential counterparty risks with an aim to maintain at least 100% of the Sub-Fund's gross total counterparty risk exposure to each Base Securities Issuer with the value of the collateral marked to market by the end of each trading day, the Manager and the Trustee (acting in accordance with the direction of the Manager) have, on behalf of the Sub-Fund, entered into collateral arrangements with the respective Base Securities Issuer or its affiliate for the provision of collateral by way of a securities borrowing and lending agreement. Where collateral taken is in the nature of equity securities, such collateral shall be subject to an additional requirement such that the market value of such equity collateral represents at least 120% of the related gross counterparty risk exposure.

Where less than 100% of the Sub-Fund's gross total counterparty risk exposure to each Base Securities Issuer with the value of the collateral marked to market by the end of each trading day, the relevant Base Securities Issuer or its affiliated collateral provider(s) has to procure collateral to be delivered to the Sub-Fund to maintain at least 100% of the Fund's gross total counterparty risk exposure to each Base Securities Issuer with the value of the collateral marked to market by the end of each trading day.

Base Securities on loan are included in the investment portfolio of the Sub-Fund as the Sub-Fund is entitled to the dividend income from the Base Securities on loan and retains substantially all the risks and rewards. The Sub-Fund needs to pay a risk mitigation expense for the collateral arrangement. Relevant risk mitigation expenses paid by the Sub-Fund are accounted for in profit or loss.

Collateral received for the purpose of securities on loan generally consists of share or cash collateral. Share collateral received is treated as an off-balance sheet transaction and is therefore not included in the statement of financial position because the Sub-Fund is not entitled to the dividend income from the share collateral and does not retain substantially all the risks and rewards. Cash collateral received (if any) is treated as an on-balance sheet transaction with a corresponding liability shown separately.

Dividend income from the Base Securities on loan is recognized as income by the Sub-fund in profit or loss. Income from the share collateral is not income of the Sub-Fund and is paid to the counterparty who provides the collateral to the Sub-Fund. Income from the cash collateral is recognised as income in profit or loss.

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Amounts due to and due from broker

Amounts due to brokers are payables for securities purchased (in a regular way transaction) that are financial liabilities, other than those classified as at fair value through profit or loss. Amounts due from brokers include margin accounts and receivables for securities sold (in a regular way transaction) that have been contracted for but not yet delivered on the reporting date.

Interest income and expense

Interest income and expense is recognised in profit or loss as it accrues, using the effective interest method.

Dividend income and expense

Dividend income is recognised when the Sub-Funds' right to receive the payment is established. Dividend income is presented gross of any non-recoverable withholding taxes, which are disclosed separately in profit or loss. Dividend expense relating to equity securities sold short is recognised when the shareholders' right to receive the payment is established.

Net change in unrealized gain or loss on financial assets at fair value through profit or loss

This item includes changes in the fair value of financial assets and liabilities as 'at fair value through profit or loss' and excludes interest and dividend income and expenses.

Unrealised gains and losses comprise changes in the fair value of financial instruments for the period and from reversal of prior period's unrealised gains and losses for financial instruments which were realised in the reporting period.

Net realised gains or losses on disposal of financial investment

Realised gains and losses on disposals of financial instruments classified as 'at fair value through profit or loss' are calculated using the weighted average method. They represent the difference between an instrument's initial carrying amount and disposal amount, or cash payments or receipts made on derivative contracts (excluding payments or receipts on collateral margin accounts for such instruments).

Foreign currency translation

These financial statements are presented in Hong Kong Dollars ("HK\$"), which is the Sub-Funds' functional and presentation currency. Foreign currency transactions recorded by the Sub-Funds are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or transaction of monetary items are recognized in profit or loss.

Transactions during the period, including purchases and sales of securities, income and expenses, are translated at the rate of exchange prevailing on the date of the transaction.

Taxation

The Sub-Funds currently incur withholding taxes imposed by certain countries on investment income. Such income is recorded gross of withholding taxes in profit or loss. Withholding taxes are shown as a separate item in profit or loss.

Preliminary Expenses

Preliminary expenses are charged to profit or loss as incurred.

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties

A party is considered to be related to the Sub-Funds if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Sub-Funds;
 - (ii) has significant influence over the Sub-Funds; or
 - (iii) is a member of the key management personnel of the Sub-Funds or of a parent of the Sub-Funds;

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Sub-Funds are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Sub-Funds are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Sub-Funds or an entity related to the Sub-Funds;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a); and
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Sub-Funds' financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts recognised in the financial statements and disclosure of contingent liabilities. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Functional currency

The Management considers Hong Kong dollar to be the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The Hong Kong dollar is the currency in which the Sub-Funds measure its performance and report its results, as well as the currency in which the Sub-Funds determine the net asset value per unit at the time of issue or redemption. This determination also considers that the Sub-Funds are listed on the Stock Exchange of Hong Kong Limited and their shares are quoted in Hong Kong dollars.

Taxation

In preparing these financial statements, the Management has made certain assumptions and used various estimates concerning the tax exposure which is dependent on what might happen in the future. The resulting accounting estimates may not equal the related actual results.

Valuation of Base Securities

Ping An of China CSI RAFI A-Share 50 ETF (*This is a synthetic ETF)*

The Sub-Fund does not hold A Shares directly but rather gains access to the CSI RAFI 50 ETF Index through Base Securities, being derivative instruments linked to A Shares, issued by one or more Base Securities issuers. Each Base Securities issuer, through a Qualified Foreign Institutional Investor ("QFII"), may buy and sell the underlying A Shares to which the Base Securities issuer aims to track in order to hedge the obligations of the Base securities bought or sold by the Sub-Fund.

Generally, under current PRC laws and regulations, capital gains realised on the sale of A Shares are subject to 10% withholding tax. The Manager considers that the charge for PRC tax on gains on A Shares is uncertain as at the date of approval of these financial statements and has exercised its judgment when assessing the fair value of its Base Securities as to what a market participant would pay to acquire an investment subject to this tax risk. The Manager believes that presently there are insufficient grounds to reasonably justify making an adjustment for potential tax gains on A shares in determining the Base securities returns as at 31 December 2012 as the Manager considers that,

- (a) it is uncertain whether PRC tax authorities may impose or enforce a capital gain tax on realised gains on the relevant A Shares of the Base Securities per sale and purchase transaction relating to such A Shares without setting off such gains and losses arising out of other transactions on other A Shares in the underlying dynamic basket;
- (b) if the PRC were to enforce the tax, it is uncertain from which date the tax would be calculated and payable and the extent to which the QFII may benefit from tax treaties;
- (c) at present, uncertainty remain as to the obligation of the Sub-Fund to bear such tax.

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

4. CRITICAL ACCOUNTING ESTIMATES (continued)

Valuation of Base Securities (continued)

Ping An of China CSI RAFI A-Share 50 ETF* (*This is a synthetic ETF)

Any adverse change in taxation imposed on QFIIs is likely to have a subsequent impact on return on Base Securities and the net assets attributable to unitholders of the Sub-Fund. The Manager estimates, on the basis of information provided by the QFIIs/Base Securities Issuers and the Trustee, the unrealised gains and realised gains which could be exposed to PRC taxation at the rate of 10% for the year ended 31 December 2012 to be approximately HK\$8.6 million (2011: HK\$4.6 million) and approximately HK\$2.9 million (2011: HK\$10 million), respectively.

The Manager continues to monitor the situation and will make an appropriate adjustment if and when it is considered that there are sufficient grounds to do so. Such adjustment could be significant as indicated above.

For the year ended 31 December 2012, Base Securities issuers have withheld amounts totaling HK\$1,216,762 (2011: HK\$1,785,664) from the Base Security returns in respect of the distribution tax and potential PRC capital gains tax. Under the relevant agreements with the QFIIs/Base Securities issuers, some or all of the amount withheld could be refunded in the future, pending clarification of the tax rules and tax collection measures adopted by the PRC authorities, or further amounts may be determined to be payable as stated above. The Manager considers that the amount deducted is not material at 31 December 2012.

5. RECONCILIATION BETWEEN NET ASSET VALUE PER STATEMENT OF FINANCIAL POSITION AND NET ASSET VALUE UNDER TRUST DEED

The net asset value per unit of each class will be determined on each valuation date or such other time as the Manager and the Trustee may determine. The net asset value per unit in each Sub-Fund is calculated by valuing the assets of the Sub-Fund, deducting the liabilities attributable to the Sub-Fund and dividing the resultant amount by the number of undivided units in the Sub-Fund represented by units of the relevant class in issue.

In accordance with the provisions of the Trust Deed, the Sub-Funds' investment positions are valued based on the last traded market price for the purpose of determining the trading net asset value per unit for subscriptions and redemptions. The Sub-Funds have early adopted IFRS 13 in 2012 and have changed valuation inputs for the investment positions to last traded prices. This is consistent with the Sub-Funds' Trust Deed for the calculation of Sub-Funds' per unit trading net asset value. This change eliminated the difference between the Trust Deed and IFRS measurement of financial instruments as at 31 December 2012.

However as described in note 3 and consistent with the requirements of IAS 39, in preparing the statement of financial position at 31 December 2011, the quoted market price used for financial assets held by the Sub-Fund; Ping An of China CSI RAFI A-Share 50 ETF* (*This is a synthetic ETF) was the closing bid prices, and the appropriate quoted market prices for financial liabilities are the closing asking prices.

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

5. RECONCILIATION BETWEEN NET ASSET VALUE PER STATEMENT OF FINANCIAL POSITION AND NET ASSET VALUE UNDER TRUST DEED (continued)

A reconciliation of the net asset value as reported in the statement of financial position to the net asset value as calculated in accordance to the Trust Deed is provided below:

	Ping An of China CSI RAFI A-Share 50 ETF*	
	(*This is a synthetic ETF)	
	2012	2011
	HK\$	HK\$
Net assets as per statement of financial position (calculated in accordance with IFRSs)	176,279,930	371,616,081
Adjustments from bid market prices to last traded market prices	<u>-</u>	<u>269,350</u>
Net asset value attributable to unitholders (calculated in accordance with the Sub-Fund's Trust Deed)	<u>176,279,930</u>	<u>371,885,431</u>

6. TRANSACTIONS WITH THE TRUSTEE, MANAGER AND THEIR CONNECTED PERSONS

The following is a summary of significant related party transactions entered into during the year/period between the Sub-Funds and the Trustee, Manager and their connected persons. Connected persons of the Manager are those as defined in the "SFC Code". All Transactions entered into during the year/period between the Sub-Funds and the Manager and its Connected Persons were carried out in the normal course of business and on normal commercial terms. To the best of Manager's knowledge, the Sub-Funds do not have any other transactions with Connected Persons except for those disclosed below:

Management fee

Ping An of China CSI RAFI A-Share 50 ETF* (*This is a synthetic ETF)

The Manager is entitled to receive a fee, calculated at an annual rate of 0.97 per cent (2011:0.97%) on the net asset value of the Sub-Fund at each dealing day and payable monthly in arrears. The Manager is responsible for the payment of the investment advisory fees to the investment advisor, Ping An Asset Management Co., Ltd., out of its fees received from the Sub-Fund. The management fee for year ended 31 December 2012 was HK\$2,932,087 (2011: HK\$4,776,162). As at 31 December 2012, a management fee of HK\$134,214 (2011: HK\$309,167) was payable to the Manager.

Ping An of China CSI HK Dividend ETF, Ping An of China CSI Mid Cap Select ETF and Ping An of China CSI RAFI HK50 ETF

The Manager is entitled to receive a fee, calculated at an annual rate of 0.55 per cent on the net asset value of each Sub-Fund at each dealing day and payable monthly in arrears. The management fee for the period from 10 February 2012 to 31 December 2012 was HK\$1,811,115, HK\$585,016 and HK\$1,661,127 for Ping An of China CSI HK Dividend ETF, Ping An of China CSI Mid Cap Select ETF and Ping An of China CSI RAFI HK50 ETF respectively.

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

6. TRANSACTIONS WITH THE TRUSTEE, MANAGER AND THEIR CONNECTED PERSONS
(continued)

Management fee (continued)

Ping An of China CSI HK Dividend ETF, Ping An of China CSI Mid Cap Select ETF and Ping An of China CSI RAFI HK50 ETF (continued)

As at 31 December 2012, a management fee of HK\$147,048, HK\$38,838 and HK\$129,522 was payable to the Manager by Ping An of China CSI HK Dividend ETF, Ping An of China CSI Mid Cap Select ETF and Ping An of China CSI RAFI HK50 ETF respectively.

Fee and charges paid to the Trustee/Custodian and its Connected Persons

Ping An of China CSI RAFI A-Share 50 ETF (*This is a synthetic ETF)*

Safe custody fee and bank charges pertain to the amount charged by The Hong Kong and Shanghai Banking Corporation Limited (“HSBC”) to the Sub-Fund as safe keeping fees. The safe custody fee and bank charges for the year ended 31 December 2012 was HK\$127,457 (2011: HK\$145,236).

As at 31 December 2012, no safe custody fee was payable to the Trustee by the Sub-Funds (2011: Nil).

Ping An of China CSI HK Dividend ETF, Ping An of China CSI Mid Cap Select ETF and Ping An of China CSI RAFI HK50 ETF

Safe custody fee and bank charges pertain to the amount charged by The Hong Kong and Shanghai Banking Corporation Limited (“HSBC”) to each Sub-Fund as safe keeping fees. The safe custody fee and bank charges for the period from 10 February 2012 to 31 December 2012 were HK\$183,438, HK\$67,742 and HK\$162,681 for Ping An of China CSI HK Dividend ETF, Ping An of China CSI Mid Cap Select ETF, Ping An of China CSI RAFI HK50 ETF respectively.

As at 31 December 2012, no safe custody fee was payable to the Trustee by each Sub-Fund.

Trustee fee

Ping An of China CSI RAFI A-Share 50 ETF (*This is a synthetic ETF)*

The Trustee, is entitled to receive a trustee fee, accrued daily and calculated as at each dealing day and payable monthly in arrears. The trustee fee is calculated as a percentage per annum of the net asset value of the Sub-Fund at the rate of 0.15 per cent (2011:0.15%) per annum for the first HK\$800 million of the net asset value, 0.12 per cent (2011:0.12%) per annum for the portion between HK\$800 million to HK\$1.6 billion of the net asset value, and 0.10 per cent (2011:0.10%) per annum for the portion above HK\$1.6 billion of the net asset value, and is currently subject to a monthly minimum of HK\$70,000.

Under the terms of the Trust Deed, the Trustee may, after consulting the Manager, on giving not less than one (1) month’s notice to unitholders, increase the rate of the trustee fee payable in respect of the Sub-Fund up to or towards the maximum rate of one per cent (2011:1%) per annum of the net asset value of the Sub-Fund accrued daily and calculated as at each dealing day and payable monthly in arrears.

The trustee fee for the year ended 31 December 2012 was HK\$840,000 (2011: HK\$875,000). As at 31 December 2012, a trustee fee of HK\$70,000 (2011: HK\$70,000) was payable to the Trustee.

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

6. TRANSACTIONS WITH THE TRUSTEE, MANAGER AND THEIR CONNECTED PERSONS (continued)

Trustee fee (continued)

Ping An of China CSI HK Dividend ETF, Ping An of China CSI Mid Cap Select ETF and Ping An of China CSI RAFI HK50 ETF

The Trustee is entitled to receive a trustee fee, to be accrued daily and calculated as at each dealing day and payable monthly in arrears. The Trustee fee is calculated as a percentage per annum of the net asset value of each Sub-Fund at the rate of 0.14 per cent per annum for the first HK\$800 million of the net asset value, 0.12 per cent per annum for the next HK\$800 million of the net asset value, and 0.10 per cent per annum for the remaining balance of the net asset value, and is currently subject to a monthly minimum of HK\$70,000. The Trustee is also entitled to an inception fee of HK\$80,000 for the establishment of each Sub-Fund.

Under the terms of the Trust Deed, the Trustee may, after consulting the Manager, on giving not less than three (3) months' written notice to the relevant unitholders (or such shorter notice as the SFC approve), increase the rate of the trustee fee payable in respect of each Sub-Fund up to or towards the maximum rate of one per cent per annum of the net asset value of the Sub-Funds accrued daily and calculated as at each Dealing Day and payable monthly in arrears.

The trustee fee for the period from 10 February 2012 to 31 December 2012 was HK\$748,276 for each Sub-Fund. As at 31 December 2012, a trustee fee of HK\$70,000 was payable to the Trustee by each Sub-Fund.

Base Security charges

Ping An of China CSI RAFI A-Share 50 ETF (*This is a synthetic ETF)*

Execution fee

The Base Securities issuer charges an execution fee (inclusive of local broker commissions and market charges plus the PRC stamp duty which is currently 0.1 per cent (2011:0.1%) for any sale or purchase of securities) of the rebalance purchase or sale amount of the A Shares underlying the Base Securities that the Manager purchases or sells on behalf of the Sub-Fund from the Base Securities issuer for the purpose of rebalancing the index constituents. Such execution fee is included in the purchase or sale price of the Base Securities payable by the Sub-Fund and is accordingly an expense borne by the Sub-Fund.

Base Security maintenance fee

In addition to the execution fee, the Base Securities issuers are entitled to charge a Base Security maintenance fee, payable at the end of each quarter, equal to 0.3 per cent (2011:0.3%) to 0.4 per cent (2011:0.4%) per annum of the average daily mark to market value of all Base Securities held by the Sub-Fund during each quarter (based on the actual number of days in that quarter). The mark to market value of the Base Securities shall be by reference to the last traded prices of the underlying A Shares constituting the Base Securities, converted into US dollars and/or Hong Kong dollars at such reference exchange rate reasonably determined by the Base Securities issuer and agreed by the Manager.

As at 31 December 2012, the relevant Base Securities issuer is UBS AG, London Branch.

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

6. TRANSACTIONS WITH THE TRUSTEE, MANAGER AND THEIR CONNECTED PERSONS (continued)

Risk mitigation expense

The Base Securities issuers charge a risk mitigation expense at a rate between 1.9% and 3.3% of the aggregate prevailing market value of loaned securities. The risk mitigation expenses for the year were HK\$6,095,460 (2011: HK\$8,107,507). As at 31 December 2012, risk mitigation expenses of HK\$261,181 (2011: HK\$662,292) were payable to the Base Securities Issuers.

Transaction costs on investment

Ping An of China CSI RAFI A-Share 50 ETF (*This is a synthetic ETF)*

The Base Securities issuers may charge an additional commission of 0.3 per cent (2011:0.3%) on the sale and purchase of each Base Security acquired for the account of the Sub-Fund. Also 0.1 per cent (2011:0.1%) stamp duty is payable on the sale of each Base Security. The commission will be adjusted from time to time for any change in the stamp duty payable on the sale and purchase of the underlying A Shares.

In addition to the above, the value of the Base Securities is subject to downward adjustments made by the relevant Base Securities issuer to cover its various hedging and transactional costs, including costs and charges associated with the collateral or credit support arrangement, which may therefore adversely affect the value of the Base Securities. Such costs and charges will therefore be indirectly borne by the Sub-Fund. Any collateral or credit support arrangement for the Sub-Fund may also incur additional fees and charges, stamp duties or other taxes or levies, which may be borne by the Sub-Fund.

Ping An of China CSI HK Dividend ETF, Ping An of China CSI Mid Cap Select ETF and Ping An of China CSI RAFI HK50 ETF

The Sub-Funds utilize the trading services of Goldman Sachs Group, Credit Suisse Group, Barclays Group, J.P.Morgan Group and UBS Group, with a broker commission charge at average rate of 0.08% (8bps) on the sale and purchase of each security acquired for the accounts of the Sub-Funds. Also, 0.1 per cent stamp duty is payable on the sale and purchase of each security. The commission will be adjusted from time to time on the sale and purchase of the securities. The Sub-Funds did not enter into any transactions with any related broker for the period from 10 February 2012 (date of inception) to 31 December 2012.

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

6. TRANSACTIONS WITH THE TRUSTEE, MANAGER AND THEIR CONNECTED PERSONS
(continued)

Net assets attributable to unitholders held by the Manager

For the period from 10 February 2012 to 31 December 2012, the Manager held a number of units of the Sub-Funds. The balance and the number of actual units held by the Manager at 31 December 2012 are summarized below:

	Ping An of China CSI HK Dividend ETF 2012	Ping An of China CSI HK Mid Cap Select ETF 2012
Number of actual units held by the Manager	43,405	148,686
	HK\$	HK\$
Net assets attributable to unitholders held by the Manager	<u>931,037</u>	<u>3,268,118</u>

Unit transactions with the Manager were as follow:

Sub-Fund	Currency	Approximate Total Trading Volume (based on trading units)	Percentage of Total Transactions (based on trading units) for the period from inception to year end
Ping An of China CSI HK Dividend ETF	HK\$	84,471,000	6.63%
Ping An of China CSI HK Mid Cap Select ETF	HK\$	21,391,000	23.61%

Bank balance

Bank balances are maintained with HSBC, Hong Kong Branch, an affiliate of the Trustee. Bank balances deposited with affiliates of the Trustee at 31 December 2012 are summarised below:

	Ping An of China CSI RAFI A-Share 50 ETF* (*This is a synthetic ETF)	
	2012 HK\$	2011 HK\$
Bank balances deposited with Trustee's affiliates	<u>921,080</u>	<u>1,821,655</u>

	Ping An of China CSI HK Dividend ETF 2012 HK\$	Ping An of China CSI HK Mid Cap Select ETF 2012 HK\$	Ping An of China CSI RAFI HK50 ETF 2012 HK\$
Bank balances deposited with Trustee's affiliates	<u>1,091,487</u>	<u>802,586</u>	<u>1,881,699</u>

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

7. MAJOR NON-CASH TRANSACTIONS

Subscription

Ping An of China CSI RAFI A-Share 50 ETF (*This is a synthetic ETF)*

During the year ended 31 December 2012 and 2011, there was no subscription for the Sub-Fund.

Ping An of China CSI HK Dividend ETF

For the period from 10 February 2012 (date of inception) to 31 December 2012, the Sub-Fund issued units 19,000,000 in exchange for a basket of equity securities of the Sub-Fund's underlying index and/or non-index shares valued at a total of HK\$361,511,081 plus the relevant cash component included in the statement of cash flows.

Ping An of China CSI Mid Cap Select ETF

For the period from 10 February 2012 (date of inception) to 31 December 2012, the Sub-Fund issued units 6,500,000 in exchange for a basket of equity securities of the Sub-Fund's underlying index shares and/or non-index shares valued at a total of HK\$129,328,189 plus the relevant cash component included in the statement of cash flows.

Ping An of China CSI RAFI HK50 ETF

For the period from 10 February 2012 (date of inception) to 31 December 2012, the Sub-Fund issued units 21,000,000 in exchange for a basket of equity securities of the Sub-Fund's underlying index shares and/or non-index shares valued at a total of HK\$352,911,844 plus the relevant cash component included in the statement of cash flows.

Redemption

Ping An of China CSI RAFI A-Share 50 ETF (*This is a synthetic ETF)*

During the year, the Sub-Fund redeemed 9,000,000 (2011: 6,000,000) units in exchange for a basket of Base Securities linked to the equity securities of the Sub-Fund's underlying index valued at a total of HK\$191,282,869 (2011: HK\$163,718,077) plus the relevant cash component included in the statement of cash flows.

Ping An of China CSI HK Dividend ETF

For the period from 10 February 2012 (date of inception) to 31 December 2012, the Sub-Fund redeemed 5,000,000 units in exchange for a basket of equity securities of the Sub-Fund's underlying index shares and/or non-index shares valued at a total of HK\$107,974,621 plus the relevant cash component included in the statement of cash flows.

Ping An of China CSI Mid Cap Select ETF

For the period from 10 February 2012 (date of inception) to 31 December 2012, the Sub-Fund redeemed 3,000,000 units in exchange for a basket of equity securities of the Sub-Fund's underlying index shares and/or non-index shares valued at a total of HK\$62,082,028 plus the relevant cash component included in the statement of cash flows.

Ping An of China CSI RAFI HK50 ETF

For the period from 10 February 2012 (date of inception) to 31 December 2012, the Sub-Fund redeemed 8,500,000 units in exchange for a basket of equity securities of the Sub-Fund's underlying index shares and/or non-index shares valued at a total of HK\$151,718,332 plus the relevant cash component included in the statement of cash flows.

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

8. SOFT COMMISSION ARRANGEMENTS

The Manager (and its Connected Persons) has not received any soft dollar commissions or entered into any soft dollar arrangements in respect of the management of the Sub-Funds. The Manager (and its Connected Persons) has not retained any cash rebates from any broker or dealer.

9. TAXATION

No provision for Hong Kong profit tax has been made for the Sub-Funds as the dividend income and realised gain on disposal of investment of the Sub-Funds are excluded from the charge to profits tax under Section 14, Section 26 or Section 26A of the Hong Kong Inland Revenue Ordinance.

Distribution tax

Ping An of China CSI RAFI A-Share 50 ETF (*This is a synthetic ETF)*

A ten per cent (2011:10%) PRC withholding tax has been levied on dividend and interest payments from PRC listed companies to foreign investors. As such, the QFII will pass on this tax liability to the Sub-Fund in the form of a distribution tax and therefore, the Sub-Fund is subject to a distribution tax of ten per cent (2011:10%). The Manager considers that there is no assurance that the rate of the distribution tax will not be changed by the PRC tax authorities in the future.

Ping An of China CSI HK Dividend ETF, Ping An of China CSI Mid Cap Select ETF and Ping An of China CSI RAFI HK50 ETF

A ten per cent PRC withholding tax has been levied on dividend and interest payments from PRC companies to foreign investors. As such, the brokers will pass on this tax liability to the Sub-Funds in the form of a distribution tax and therefore, the Sub-Funds are subject to a distribution tax of ten per cent. The Manager considers that there is no assurance that the rate of the distribution tax will not be changed by the PRC tax authorities in the future.

Capital gains tax

Ping An of China CSI RAFI A-Share 50 ETF (*This is a synthetic ETF)*

A 10% withholding tax may also be payable on the gains derived from the sale of A Shares by QFIIs as described in note 4 above.

10. DISTRIBUTIONS

The Manager may in its absolute discretion distribute income to unitholders at such time or times as it may determine in each financial year or determine that no distribution shall be made in any financial year. The amount to be distributed to unitholders, if any, will be derived from the net income of the Sub-Funds.

Ping An of China CSI RAFI A-Share 50 ETF* (*This is a synthetic ETF) did not make any distributions during the year ended 31 December 2012 (2011:Nil).

Ping An of China CSI HK Mid Cap Select ETF did not make any distributions for the period from 10 February 2012 (date of inception) to 31 December 2012

The distributions made by Ping An of China CSI HK Dividend ETF and Ping An of China CSI RAFI HK50 ETF for the period from 10 February 2012 (date of inception) to 31 December 2012 are as follows:

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

10. DISTRIBUTIONS (continued)

	Ping An of China CSI HK Dividend ETF 2012 HK\$	Ping An of China CSI RAFI HK50 ETF 2012 HK\$
Interim distribution distributed on 16 July 2012 (HK\$0.27 per unit)	5,130,000	-
Final distribution distributed on 28 December 2012 (HK\$0.28 per unit)	3,920,000	-
Final distribution distributed on 28 December 2012 (HK\$0.32 per unit)	-	5,120,000
	<u>9,050,000</u>	<u>5,120,000</u>

11. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets at fair value through profit and loss

		Ping An of China CSI RAFI A-Share 50 ETF* (*This is a synthetic ETF) 2012 HK\$	2011 HK\$
Derivatives:			
Base Securities, at fair value		<u>176,661,402</u>	<u>371,727,479</u>
	Ping An of China CSI HK Dividend ETF 2012 HK\$	Ping An of China CSI HK Mid Cap Select ETF 2012 HK\$	Ping An of China CSI RAFI HK50 ETF 2012 HK\$
Equities:			
Equity securities, at fair value	<u>298,502,291</u>	<u>76,424,801</u>	<u>225,611,295</u>

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

12. CASH AND CASH EQUIVALENTS

	Ping An of China CSI RAFI A-Share 50 ETF* (*This is a synthetic ETF)	
	2012	2011
	HK\$	HK\$
Cash at bank	<u>921,080</u>	<u>1,821,655</u>

	Ping An of China CSI HK Dividend ETF 2012 HK\$	Ping An of China CSI HK Mid Cap Select ETF 2012 HK\$	Ping An of China CSI RAFI HK50 ETF 2012 HK\$
Cash at bank	<u>1,091,487</u>	<u>802,586</u>	<u>1,881,699</u>

The cash at bank held with HSBC Hong Kong Branch, an affiliate company of the Trustee, was placed in non-interest bearing accounts.

13. THE REDEEMABLE UNITS

	Ping An of China CSI RAFI A-Share 50 ETF* (*This is a synthetic ETF)	
	2012	2011
	Units	Units
Units in issue at the beginning of the year	16,000,000	22,000,000
Issue of units	-	-
Redemption of units	<u>(9,000,000)</u>	<u>(6,000,000)</u>
Units in issue at the end of the year	<u>7,000,000</u>	<u>16,000,000</u>

	Ping An of China CSI HK Dividend ETF 2012 Units	Ping An of China CSI HK Mid Cap Select ETF 2012 Units	Ping An of China CSI RAFI HK50 ETF 2012 Units
Issue of units	19,000,000	6,500,000	21,000,000
Redemption of units	<u>(5,000,000)</u>	<u>(3,000,000)</u>	<u>(8,500,000)</u>
Units in issue at the end of the period	<u>14,000,000</u>	<u>3,500,000</u>	<u>12,500,000</u>

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

13. THE REDEEMABLE UNITS (continued)

	Ping An of China CSI RAFI A-Share 50 ETF*		
	(*This is a synthetic ETF)		
	HK\$ At last traded market prices 2012	HK\$ At bid market prices 2011	HK\$ At last traded market prices 2011
Net asset value (in accordance with Sub-Fund's Trust Deed, note 5)	<u>176,279,930</u>	<u>371,616,081</u>	<u>371,885,431</u>
Net asset value per unit (in accordance with Sub-Fund's Trust Deed)	<u>25.1828</u>	<u>23.2260</u>	<u>23.2428</u>
	Ping An of China CSI HK Dividend ETF HK\$ At last traded market prices 2012	Ping An of China CSI HK Mid Cap Select ETF HK\$ At last traded market prices 2012	Ping An of China CSI RAFI HK50 ETF HK\$ At last traded market prices 2012
Net asset value (in accordance with Sub-Fund's Trust Deed)	<u>300,324,883</u>	<u>76,933,039</u>	<u>227,010,967</u>
Net asset value per unit (in accordance with Sub-Fund's Trust Deed)	<u>21.4518</u>	<u>21.9809</u>	<u>18.1609</u>

The creation and redemption of units of the Sub-Funds can only be facilitated by or through Participating Dealers. Investors other than the Participating Dealers make a request to create or redeem units through a Participating Dealer, and if the investor is a retail investor, such request must be made through a stockbroker which has opened an account with a Participating Dealer.

The Trustee shall receive subscription proceeds from the Participating Dealers for the creation of units and pay redemption proceeds for the redemption of units to the relevant Participating Dealer in such form and manner as prescribed by the Trust Deed.

Units are denominated in Hong Kong dollars ("HK\$") and no fractions of a unit shall be created or issued by the Trustee.

Units of the Ping An of China CSI RAFI A-Share 50 ETF are offered and issued at their dealing net asset value only in aggregations of a specified number of application units generally in exchange for a basket of Base Securities linked to such equity securities included in the Sub-Fund's underlying index (Index Shares constituting the relevant basket) together with the payment of a cash component.

Units of Ping An of China CSI HK Dividend ETF, Ping An of China CSI HK Mid Cap Select ETF and Ping An of China CSI RAFI HK50 ETF are offered and issued at their dealing net asset value only in aggregation of a specified number of application units generally in exchange of equity securities included in their underlying indexes (Index Shares constituting the relevant basket) together with the payment of a cash component.

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

13. THE REDEEMABLE UNITS (continued)

Units are redeemable only in an application unit or multiple thereof, in exchange for portfolio securities and cash components at the dealing net asset value. Normally, creation and redemption of units will be effected “in kind”. Creation/redemption applications in cash may only be effected at the Manager’s discretion under certain circumstance.

14. INVESTMENT LIMITATION AND PROHIBITIONS UNDER THE SFC CODE

Ping An of China CSI RAFI A-Share 50 ETF* (*This is a synthetic ETF)

Pursuant to SFC Guidelines for regulating Index Tracking Exchange Traded Funds (the ETF guidelines), the Ping An of China CSI RAFI A-Share 50 ETF* (*This is a synthetic ETF) is permitted to overweight underlying holdings of A shares relative to the respective weighting in the CSI RAFI 50 ETF Index to which the Base Securities are linked, subject to a maximum extra limit of 4% of the latest available net asset value of the Sub-Fund.

The Manager and Trustee have confirmed that the Sub-Fund has complied with this limit during the year.

There were no Base Securities of which underlying A shares or Basket of A shares accounted for more than 10% of the net asset value of the Ping An of China CSI RAFI A-Share 50 ETF* (*This is a synthetic ETF) as at 31 December 2012 (2011: Nil).

Ping An of China CSI HK Dividend ETF, Ping An of China CSI HK Mid Cap Select ETF and Ping An of China CSI RAFI HK50 ETF

Pursuant to SFC Guidelines for regulating Index Tracking Exchange Traded Funds (the ETF guidelines), the Ping An of China CSI HK Dividend ETF, Ping An of China CSI HK Mid Cap Select ETF and Ping An of China CSI RAFI HK50 ETF are permitted to overweight each Sub-Funds’ underlying holdings relative to their respective weighting in the underlying index of each Sub-Fund, subject to a maximum extra limit of 4% of the latest available net asset value of the Sub-Fund.

The Manager and Trustee have confirmed that the Sub-Funds have complied with this limit during the period from 10 February 2012 to 31 December 2012.

15. FINANCIAL INSTRUMENTS, ASSETS AND LIABILITIES AND RISK MANAGEMENT POLICY

Risk Management

The Sub-Funds’ objective in managing risk is the creation and protection of unitholders value. Risk is inherent in the Sub-Funds’ activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risks limits and other controls. The process of risk management is critical to the Sub-Funds’ continuing profitability. The Sub-Funds are exposed to market risk (which includes currency risk, interest rate risk and price risk), credit risk and liquidity risk arising from the financial instruments they hold. Please refer to note 1 for details of the investment objective and policies of the Sub-Funds.

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

15. FINANCIAL INSTRUMENTS, ASSETS AND LIABILITIES AND RISK MANAGEMENT POLICY (continued)

Risk Management (continued)

The Sub-Funds' Manager is responsible for identifying and controlling risks. The board of directors of the Manager supervises the Manager and is ultimately responsible for the overall risk management approach within the Sub-Funds.

The Sub-Funds themselves are subject to various risks. The main risks associated with the investments, assets and liabilities of the Sub-Funds are set out below:

(a) Market risk

(i) Market price risk

Market price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual instrument or factors affecting all instruments in the market.

Ping An of China CSI RAFI A-Share 50 ETF (*This is a synthetic ETF)*

The Sub-Fund invested all, or substantially all, of its assets in Base Securities which are linked to A Shares of those PRC companies comprising the CSI RAFI 50 Index in substantially the same weightings as constituted in the CSI RAFI 50 Index. The Sub-Fund is therefore exposed to substantially the same market price risk as the CSI RAFI 50 Index.

Where there are changes in the constituent A Shares comprised in the CSI RAFI 50 Index and/or their respective weightings within the CSI RAFI 50 Index, the Manager will rebalance the holding of the relevant Base Securities (where each of the Base Securities tracks the performance of an A Share) or the underlying dynamic basket of A Shares of selected constituent companies of the CSI RAFI 50 Index (where each of the relevant Base Securities tracks the performance of a Basket of A Shares) by notifying, through the relevant Participating Dealer, the QFII to hedge its obligations under the Base Securities.

Ping An of China CSI HK Dividend ETF

The Sub-Fund will directly invest in substantially all of the constituent securities of the CSI Hong Kong Dividend Index ("Index Shares") in substantially the same weighting (i.e. proportions) as these Index Shares have in the underlying index. The Sub-Fund is therefore exposed to substantially the same market price risk as the CSI Hong Kong Dividend Index. CSI HK Dividend Index consists of 30 constituent securities listed on the SEHK. HK Dividend ETF is therefore relatively concentrated in a limited number of stocks. The HK Dividend ETF is likely to be more volatile than a fund tracking an index with a greater number of constituent stocks, as the adverse performance of a constituent stock will have a greater impact on the value of the HK Dividend ETF.

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

15. FINANCIAL INSTRUMENTS, ASSETS AND LIABILITIES AND RISK MANAGEMENT POLICY (continued)

Risk Management (continued)

(a) Market risk (continued)

(i) Market price risk (continued)

Ping An of China CSI HK Mid Cap Select ETF

The Sub-Fund will directly invest in substantially all of the constituent securities of the CSI Hong Kong Middle Cap Select Index (“Index Shares”) in substantially the same weighting (i.e. proportions) as these Index Shares have in the underlying index. The Sub-Fund is therefore exposed to substantially the same market price risk as the CSI Hong Kong Middle Cap Select Index. The stocks of mid-capitalisation companies may have lower liquidity and their prices are typically more volatile and more vulnerable to adverse business or economic developments than those of larger capitalisation companies. This may impact the net asset value of the HK Mid Cap Select ETF to a larger extent than those of funds that invest in stocks of larger capitalisation companies. Further, mid-capitalisation companies generally have less diverse product lines than large-capitalisation companies and thus are more susceptible to adverse developments concerning their products. The performance of such companies may therefore be more volatile and in turn impact the HK Mid Cap Select ETF.

Ping An of China CSI RAFI HK50 ETF

The Sub-Fund will directly invest in substantially all of the constituent securities of the CSI RAFI Hong Kong 50 Index (“Index Shares”) in substantially the same weighting (i.e. proportions) as these Index Shares have in the underlying index. The Sub-Fund is therefore exposed to substantially the same market price risk as the CSI RAFI Hong Kong 50 Index.

As at 31 December 2012, the Sub-Funds investments were concentrated in the following industries.

	2012		Ping An of China CSI RAFI A-Share 50 ETF* (*This is a synthetic ETF) 2011	
	Fair value HK\$	% of net asset value HK\$	Fair value HK\$	% of net asset value HK\$
Base securities - By Sectors				
Basic Materials	14,991,710	8.51	42,580,175	11.45
Communications	5,736,793	3.25	19,797,583	5.32
Consumer, Cyclical	6,563,709	3.72	11,578,718	3.11
Consumer, Non-cyclical	1,692,558	0.96	3,480,062	0.94
Energy	14,483,923	8.22	34,980,550	9.41
Financial	103,458,527	58.69	200,496,851	53.92
Industrial	22,961,913	13.03	41,581,821	11.18
Utilities	6,772,269	3.84	17,231,719	4.63
	<u>176,661,402</u>	<u>100.22</u>	<u>371,727,479</u>	<u>99.96</u>

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

15. FINANCIAL INSTRUMENTS, ASSETS AND LIABILITIES AND RISK MANAGEMENT POLICY (continued)

Risk Management (continued)

(a) Market risk (continued)

(i) Market price risk (continued)

	Ping An of China CSI HK Dividend ETF		Ping An of China CSI HK Mid Cap Select ETF	
	2012		2012	
	Fair value	% of net	Fair value	% of net
	HK\$	asset value	HK\$	asset value
		HK\$		HK\$
Equities - By Sectors				
Basic Materials	1,469,694	0.49	8,228,314	10.70
Communications	24,869,565	8.28	4,906,362	6.38
Consumer, Cyclical	30,251,064	10.07	16,959,660	22.04
Consumer, Non-cyclical	10,771,691	3.59	9,500,391	12.35
Diversified	30,186,136	10.05	-	-
Energy	-	-	5,273,067	6.85
Financial	118,639,957	39.50	13,852,806	18.01
Industrial	2,136,352	0.71	13,765,395	17.89
Technology	9,328,722	3.11	-	-
Utilities	70,849,110	23.59	3,938,806	5.12
	<u>298,502,291</u>	<u>99.39</u>	<u>76,424,801</u>	<u>99.34</u>

	Ping An of China CSI RAFI HK50 ETF	
	2012	
	Fair value	% of net
	HK\$	asset value
		HK\$
Equities - By Sectors		
Basic Materials	1,180,415	0.52
Communications	24,548,152	10.81
Consumer, Cyclical	9,836,512	4.33
Consumer, Non-cyclical	698,048	0.31
Diversified	15,453,235	6.81
Energy	34,376,335	15.14
Financial	123,892,182	54.58
Industrial	6,539,510	2.88
Technology	1,749,721	0.77
Utilities	7,337,185	3.23
	<u>225,611,295</u>	<u>99.38</u>

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

15. FINANCIAL INSTRUMENTS, ASSETS AND LIABILITIES AND RISK MANAGEMENT POLICY (continued)

Risk Management (continued)

(a) Market risk (continued)

i) Market price risk (continued)

Sensitivity analysis in the event of a possible change in the index by 5% as estimated by the Manager

As at 31 December 2012, if the CSI RAFI 50 Index, CSI Hong Kong Dividend Index, CSI Hong Kong Middle Cap Select Index and CSI RAFI Hong Kong 50 Index were to increase by 5% with all other variables held constant, this would increase the pre-tax profit for the year of Ping An of China CSI RAFI A-Share 50 ETF*, Ping An of China CSI HK Dividend ETF, Ping An of China CSI HK Mid Cap Select ETF and Ping An of China CSI RAFI HK50 ETF by approximately HK\$9 million (2011: HK\$19 million), HK\$15 million, HK\$4 million and HK\$11 million respectively. Conversely, if such Indexes were to decrease by 5% this would decrease the pre-tax profit for the year by approximately equal amounts.

ii) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument or future cash flows will fluctuate due to changes in market interest rates.

The Manager considers that the Sub-Funds are not subject to significant amount of risk due to fluctuations in the prevailing level of market interest rate. As the Sub-Funds have no investments in fixed income assets, the Manager considers that changes in their fair value in the event of a change in market interest rates will not be material. Therefore, no sensitivity analysis has been disclosed.

iii) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. IFRS 7 considers the foreign exchange exposure relating to non-monetary assets and liabilities to be a component of market price risk not foreign currency risk.

The Sub-Funds have transactional currency exposures. Such exposures arise from purchases and sales of financial instruments by operating units in currencies other than the Sub-Fund's functional currency.

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

15. FINANCIAL INSTRUMENTS, ASSETS AND LIABILITIES AND RISK MANAGEMENT POLICY (continued)

Risk Management (continued)

(a) Market risk (continued)

iii) Currency risk (continued)

Ping An of China CSI RAFI A-Share 50 ETF>(*This is a synthetic ETF)

Approximately 100% of the Sub-Fund's sales and purchases were denominated in currencies other than the Sub-Fund's functional currency.

As at 31 December 2012, the Sub-Fund held deposits of HK\$1 million (2011: HK\$2 million), and financial instrument of HK\$177 million (2011: HK\$372 million) and all these assets were denominated in United State dollar. Under the pegging currency mechanism between Hong Kong dollar and United States dollar, the currency risk exposure in relation to these assets is minimal.

The following table demonstrates the sensitivity at the statement of financial position date to a reasonably possible change in the United States dollar exchange rate, with all other variables held constant, of the Sub-Fund's profit before tax and the equity.

	Ping An of China CSI RAFI A-Share 50 ETF* (*This is a synthetic ETF)		
	Increase/ (decrease) in USD rate	Increase/ (decrease) in profit before tax HK\$ 000'	Increase/ (decrease) in equity HK\$ 000'
2012			
If Hong Kong dollar strengthens against USD	1%	(1,763)	(1,763)
If Hong Kong dollar weakens against USD	1%	1,763	1,763
2011			
If Hong Kong dollar strengthens against USD	1%	(505)	(3,716)
If Hong Kong dollar weakens against USD	1%	505	3,716

Ping An of China CSI HK Dividend ETF, Ping An of China CSI Mid Cap Select ETF
and Ping An of China CSI RAFI HK50 ETF

The Sub-funds hold assets which are mainly denominated in HK\$, the functional currency. As such, there is no currency risk at the Sub-Fund's level.

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

15. FINANCIAL INSTRUMENTS, ASSETS AND LIABILITIES AND RISK MANAGEMENT POLICY (continued)

Risk Management (continued)

(b) Credit and counterparty risk

Credit and counterparty risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Sub-Fund.

Ping An of China CSI RAFI A-Share 50 ETF(*This is a synthetic ETF)*

The Sub-Fund is subject, to credit and counterparty risk associated with each Base Security Issuer and may suffer losses potentially equal to the full value of the Base Security issued by a Base Securities issuer if such Base Securities issuer fails to perform its obligations under the Base Securities.

In order to mitigate the potential counterparty risks with an aim to reducing the net exposure of the Sub-Fund to the Base Securities issuers, the Manager and the Trustee (acting in accordance with the direction of the Manager) have, on behalf of the Sub-Fund, entered into collateral or credit support arrangements, for the provision of collateral with the Base Securities issuers or their affiliates, namely, Citigroup Global Markets Limited (Terminated with effect from 31 July 2012) and UBS AG, London Branch. The collateral may comprise cash or listed constituent stocks of Hang Seng Index and/or Hang Seng China Enterprises Index and/or Hang Seng Composite Index.

Prior to 31 October 2011

The Manager had procedures in place and closely monitored to ensure that there were appropriate levels of collateral or credit support to ensure that the net exposure did not exceed ten per cent (10%) of the net asset value of the Sub-Fund, taking into account factors such as market fluctuations. Where the net exposure of the Sub-Fund to a Base Securities issuer was below ten per cent (10%) of its net asset value, no collateral or credit support arrangement was sought.

From 31 October 2011

Additional authorization conditions have been imposed by the Hong Kong Securities and Futures Commission (“SFC”) on the Sub-Fund on 29 August 2011 in relation to collateral taken by the Sub-Fund. Accordingly under the current collateral arrangements which is effective from 31 October 2011 the Manager will seek to obtain collateral or credit support representing at least 100% of the Sub-Fund’s gross total counterparty risk exposure to each Base Securities Issuer with the value of the collateral marked to market by the end of each trading day. Depending on evolving market practice, prevailing market conditions, cost effectiveness and commercial practicability, the Manager should exercise prudence and professional judgment to determine whether it should obtain collateral exceeding the 100% level.

Where collateral taken is in the nature of equity securities, such collateral shall be subject to an additional requirement such that the market value of such equity collateral represents at least 120% of the related gross counterparty risk exposure. The Manager will apply prudent haircut on non-equity collateral taking into account factors such as credit quality, liquidity, duration and other relevant terms of the collateral held.

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

15. FINANCIAL INSTRUMENTS, ASSETS AND LIABILITIES AND RISK MANAGEMENT POLICY (continued)

Risk Management (continued)

(b) Credit and counterparty risk (continued)

*Ping An of China CSI RAFI A-Share 50 ETF>(*This is a synthetic ETF) (continued)*

As at 31 December 2012, there was one loan outstanding: a loan between the Sub-Fund and UBS AG, under which the value of share collateral obtained by the Trustee from UBS AG amounted to approximately HK\$212,458,331 (before any haircut) (2011: HK\$388,958,868) against Base Securities lent to UBS AG valued at approximately HK\$176,661,402 (2011: HK\$322,420,913).

As at 31 December 2011, there was another loan outstanding between the Sub-Fund and Citigroup under which the value of share collateral obtained by the Trustee from Citigroup amounted to approximately HK\$56,042,981 against Base Securities lent to Citigroup valued at approximately HK\$44,893,263.

The collateral and Base Securities are marked to market every day by the borrower or an affiliate of the borrower. The Trustee may demand the provision of additional collateral to eliminate any deficiency. Likewise the borrower may demand the return of collateral to eliminate any excess.

The details of share collateral holding more than 30% of the net asset value as at financial position date are as follows:

Collateral provider	Value of the Collateral HK\$	% of the Scheme secured	Credit rating of collateral provider
31 December 2012			
UBS AG, London Branch	212,458,331	120.26%	A
31 December 2011			
Citigroup Global Markets Limited	56,042,981	15.08%	A-
UBS AG, London Branch	388,958,868	104.67%	A

The Sub-Fund pays a fee in respect of the collateral agreements. As at 31 December 2012, the Sub-Fund had incurred expenses of HK\$6,095,460 (2011: HK\$8,107,507) representing 3.46% (2011: 2.18%) of the net asset value as at 31 December 2012 pursuant to the securities lending arrangements.

Under the securities lending agreements, both the lender and borrower are obliged to pay and deliver any sum or money or property to which the original owner would have been entitled including dividends and interest.

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

15. FINANCIAL INSTRUMENTS, ASSETS AND LIABILITIES AND RISK MANAGEMENT POLICY (continued)

Risk Management (continued)

(b) Credit and counterparty risk (continued)

*Ping An of China CSI RAFI A-Share 50 ETF>(*This is a synthetic ETF) (continued)*

Collateral may involve risks including settlement, operational and realisation risks. For example, collateral is subject to fluctuations in market value and the prices of subject securities may go down as well as up. The value of the collateral securities may be lower upon realisation of the securities. In case of collateral securities which are listed securities, the listing of such securities may be suspended or revoked or the trading of such securities on the stock exchange may be suspended, and during the year of suspension or upon revocation, it may not be possible to realise the relevant collateral securities.

The table below sets out the net exposure of the Sub-Fund to counterparties as at 31 December 2012 with their credit ratings of senior long-term debt by Standard & Poor's Rating Services:

	Net exposure to Counterparties HK\$	% of Net Asset Value
31 December 2012		
<u>Base Securities issuers</u>		
- UBS AG, London Branch Rating	(35,796,929) A	(20.31%)
<u>Custodian & Bank</u>		
- The Hongkong and Shanghai Banking Corporation Limited Rating	921,080 A+	0.52%
31 December 2011		
<u>Base Securities issuers</u>		
- Citigroup Global Markets Holdings Inc. Rating	(10,611,493) A-	(2.86%)
- UBS AG, London Branch Rating	(62,662,877) A	(16.86%)
<u>Custodian & Bank</u>		
- The Hongkong and Shanghai Banking Corporation Limited Rating	1,821,655 A+	0.49%

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

15. FINANCIAL INSTRUMENTS, ASSETS AND LIABILITIES AND RISK MANAGEMENT POLICY (continued)

Risk Management (continued)

(b) Credit and counterparty risk (continued)

Ping An of China CSI HK Dividend ETF, Ping An of China CSI HK Mid Cap Select ETF and Ping An of China CSI RAFI HK50 ETF

The Sub-Funds' financial assets which are potentially subject to concentrations of counterparty risk consist principally of bank deposits and assets held with the custodian. The table below summarises the credit rating from Standard and Poor's of banks and custodians in which the Sub-Funds' assets are held as at 31 December 2012.

<u>Custodian & Bank</u>		Credit rating
- The Hongkong and Shanghai Banking Corporation Limited		A+
	Net exposure to Counterparties HK\$	% of Net Asset Value
31 December 2012		
Ping An of China CSI HK Dividend ETF	299,593,778	99.76%
Ping An of China CSI Mid Cap Select ETF	77,227,387	100.38%
Ping An of China CSI RAFI HK50 ETF	227,492,994	100.21%

The Maximum exposure to credit risk at the end of the reporting period is the carrying amount of the assets as shown on the statement of financial position.

The Manager considers that none of these assets are impaired nor past due as at 31 December 2012.

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

15. FINANCIAL INSTRUMENTS, ASSETS AND LIABILITIES AND RISK MANAGEMENT POLICY (continued)

Risk Management (continued)

(c) Liquidity risk

Liquidity risk is the risk that the Sub-Fund may not be able to generate sufficient cash, resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

As at 31 December 2012 the Sub-Funds held liquid assets, comprising bank balances and other receivables that are expected to readily generate cash inflows for managing liquidity risk.

*Ping An of China CSI RAFI A-Share 50 ETF>(*This is a synthetic ETF)*

The Base Securities held by the Sub-Fund may or may not be listed and have no active secondary market. Accordingly, the Sub-Fund is likely to have to rely entirely on the respective Base Securities issuer and/or their Connected Person to liquidate, from time to time, the Base Securities which they have issued to the Sub-Fund. Base Securities issuer or its Connected Persons will repurchase the Base Security at the request of the Manager from time to time at the mark-to-market values. However, such repurchase is only subject to:

- (i) market and other disruption events and other legal or regulatory restrictions relating to the underlying A Shares; and
- (ii) the trading limit on the underlying A Shares to ensure compliance with or address relevant laws, regulations, rules or policies promulgated, issued or announced by the relevant regulatory or governmental authorities or bodies.

Further, the Sub-Fund is subject to tracking error associated with the costs and expenses related to the unwinding of such hedging arrangements.

Ping An of China CSI HK Dividend ETF, Ping An of China CSI HK Mid Cap Select ETF and Ping An of China CSI RAFI HK50 ETF

The Sub-Funds invest the majority of their assets in investments that are traded in active markets and can be readily disposed of.

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

15. FINANCIAL INSTRUMENTS, ASSETS AND LIABILITIES AND RISK MANAGEMENT POLICY (continued)

Risk Management (continued)

(c) Liquidity risk (continued)

The table below summarises the Sub-Funds' maturity analysis for financial liabilities as below:

Ping An of China CSI RAFI A-Share 50 ETF* (*This is a synthetic ETF)

As at 31 December 2012	<1 month HK\$	>1 to 3 months HK\$	> 3 to 12 months HK\$	> 1 to 5 years HK\$	Total HK\$
Financial assets					
Financial assets at fair value through profit or loss	176,661,402	-	-	-	176,661,402
Other receivables	-	-	-	954,584	954,584
Cash and cash equivalents	921,080	-	-	-	921,080
Total	177,582,482	-	-	954,584	178,537,066
Financial liabilities					
Management fee payable	134,214	-	-	-	134,214
Trustee fee payable	70,000	-	-	-	70,000
Risk mitigation expenses payable	261,181	-	-	-	261,181
Accounts payable and accrued liabilities	126,924	239,641	62,002	1,363,174	1,791,741
Total	592,319	239,641	62,002	1,363,174	2,257,136
As at 31 December 2011	<1 month HK\$	>1 to 3 months HK\$	> 3 to 12 months HK\$	> 1 to 5 years HK\$	Total HK\$
Financial assets					
Financial assets at fair value through profit or loss	371,727,479	-	-	-	371,727,479
Other receivables	-	-	-	765,165	765,165
Cash and cash equivalents	1,821,655	-	-	-	1,821,655
Total	373,549,134	-	-	765,165	374,314,299
Financial liabilities					
Management fee payable	309,167	-	-	-	309,167
Trustee fee payable	70,000	-	-	-	70,000
Risk mitigation expenses payable	662,292	-	-	-	662,292
Accounts payable and accrued liabilities	-	585,736	-	1,071,023	1,656,759
Total	1,041,459	585,736	-	1,071,023	2,698,218

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

15. FINANCIAL INSTRUMENTS, ASSETS AND LIABILITIES AND RISK MANAGEMENT POLICY (continued)

Risk Management (continued)

(c) Liquidity risk (continued)

Ping An of China CSI HK Dividend ETF

As at 31 December 2012

	<1 month HK\$	>1 to 3 months HK\$	> 3 to 12 months HK\$	> 1 to 5 years HK\$	Total HK\$
Financial assets					
Financial assets at fair value					
through profit or loss	298,502,291	-	-	-	298,502,291
Dividend receivable	1,207,180	-	-	-	1,207,180
Cash and cash equivalents	1,091,487	-	-	-	1,091,487
Total	300,800,958	-	-	-	300,800,958
Financial liabilities					
Management fee payable	147,048	-	-	-	147,048
Trustee fee payable	70,000	-	-	-	70,000
Accounts payable and accrued liabilities	81,612	114,518	62,897	-	259,027
Total	221,660	254,415	62,897	-	476,075

Ping An of China CSI HK Mid Cap Select ETF

As at 31 December 2012

	<1 month HK\$	>1 to 3 months HK\$	> 3 to 12 months HK\$	> 1 to 5 years HK\$	Total HK\$
Financial assets					
Financial assets at fair value					
through profit or loss	76,424,801	-	-	-	76,424,801
Dividend receivable	59,214	-	-	-	59,214
Cash and cash equivalents	802,586	-	-	-	802,586
Total	77,286,601	-	-	-	77,286,601
Financial liabilities					
Management fee payable	38,838	-	-	-	38,838
Trustee fee payable	70,000	-	-	-	70,000
Accounts payable and accrued liabilities	67,309	114,518	62,897	-	244,724
Total	176,147	114,518	62,897	-	353,562

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

15. FINANCIAL INSTRUMENTS, ASSETS AND LIABILITIES AND RISK MANAGEMENT POLICY (continued)

Risk Management (continued)

(c) Liquidity risk (continued)

Ping An of China CSI RAFI HK50 ETF					
As at 31 December 2012					
	<1 month HK\$	>1 to 3 months HK\$	> 3 to 12 months HK\$	> 1 to 5 years HK\$	Total HK\$
Financial assets					
Financial assets at fair value					
through profit or loss	225,611,295	-	-	-	225,611,295
Other receivables	61,539	-	-	-	61,539
Cash and cash equivalents	1,881,699	-	-	-	1,881,699
Total	<u>227,554,533</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>227,554,533</u>
Financial liabilities					
Management fee payable	129,522	-	-	-	129,522
Trustee fee payable	70,000	-	-	-	70,000
Accounts payable and accrued liabilities	141,442	147,503	55,099	-	344,044
Total	<u>304,964</u>	<u>147,503</u>	<u>55,099</u>	<u>-</u>	<u>543,566</u>

(d) Fair value estimation

The Sub-Funds adopted amendments to IFRS 7 which requires the Sub-Funds to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2);
- Inputs for the assets or liability that are not based on the observable market data (level 3).

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

15. FINANCIAL INSTRUMENTS, ASSETS AND LIABILITIES AND RISK MANAGEMENT POLICY (continued)

Risk Management (continued)

(d) Fair value estimation (continued)

Ping An of China CSI RAFI A-Share 50 ETF* (*This is a synthetic ETF)

	Level 1	Level 2	Level 3	Total
	HK\$	HK\$	HK\$	HK\$
As at 31 December 2012				
<u>Financial assets at fair value through profit or loss</u>				
Listed equity securities	-	-	176,661,402	176,661,402
As at 31 December 2011				
<u>Financial assets at fair value through profit or loss</u>				
Listed equity securities	-	-	371,727,479	371,727,479

The level 3 equity that amounts to HK\$176,661,402 (2011: HK\$371,727,479) consists of base securities. Which have nominal exercise price and have been fair valued based on the quoted market prices of the securities underlying the Base Securities, adjusted for the expected amount payable to the issuer in respect of potential capital gains tax (if any). Please refer to note 4 for details.

The following table represents the movement in level 3 instruments held by the Ping An of China CSI RAFI A-Share 50 ETF* for the year ended 31 December 2012.

	2012	2011
	HK\$	HK\$
<u>Base Securities</u>		
Opening balance	371,727,479	588,340,896
Purchase	37,905,363	58,143,864
Sales	(234,928,248)	(232,983,930)
Gain/losses recognised in profit or loss	1,956,808	(41,773,351)
Closing balance	<u>176,661,402</u>	<u>371,727,479</u>

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

15. FINANCIAL INSTRUMENTS, ASSETS AND LIABILITIES AND RISK MANAGEMENT
POLICY (continued)

Risk Management (continued)

(d) Fair value estimation (continued)

Ping An of China CSI HK Dividend ETF				
	Level 1	Level 2	Level 3	Total
	HK\$	HK\$	HK\$	HK\$
As at 31 December 2012				
<u>Financial assets at fair value through profit or loss</u>				
Listed equity securities	298,502,291	-	-	298,502,291
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Ping An of China CSI HK Mid Cap Select ETF				
	Level 1	Level 2	Level 3	Total
	HK\$	HK\$	HK\$	HK\$
As at 31 December 2012				
<u>Financial assets at fair value through profit or loss</u>				
Listed equity securities	76,424,801	-	-	76,424,801
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Ping An of China CSI RAFI HK50 ETF				
	Level 1	Level 2	Level 3	Total
	HK\$	HK\$	HK\$	HK\$
As at 31 December 2012				
<u>Financial assets at fair value through profit or loss</u>				
Listed equity securities	225,611,295	-	-	225,611,295
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

SUB-FUNDS OF PING AN OF CHINA TRUST

NOTES TO FINANCIAL STATEMENTS

15. FINANCIAL INSTRUMENTS, ASSETS AND LIABILITIES AND RISK MANAGEMENT POLICY (continued)

Risk Management (continued)

(e) Capital management

The Sub-Funds' capitals are represented by the net assets attributable to unitholders. The Sub-Funds strive to invest the subscriptions of redeemable participating units in investments that meet the Sub-Funds' investment objectives while maintaining sufficient liquidity to meet unitholder redemptions.

The Manager manages the capital of the Sub-Funds in accordance with the Sub-Funds' investment objectives and policies stated in the Prospectus.

16. SEGMENT INFORMATION

The Manager makes the strategic resource allocations on behalf of the Sub-Funds and has determined the operating segments based on the reports reviewed which are used to make strategic decisions.

The Manager considers that each Sub-Fund has a single operating segment which is investing in securities. The objectives of the Sub-Funds are to track the performance of its respective index and invest in substantially all the index constituents with security weight and industry weight that are closely aligned to the characteristics of the tracked index.

The internal financial information used by the Manager for the Sub-Funds' assets, liabilities and performance is the same as that disclosed in the statement of financial position and statement of comprehensive income.

The Sub-Funds are domiciled in Hong Kong. All of the Sub-Funds' income is from investments in securities which constitute its tracked index. The Sub-Funds' investments could not be categorized by relevant geography and no geographical information for performance is provided.

The Sub-Funds have portfolios that closely correspond to the security weight and industry weight of its tracked index.

17. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Manager and the Trustee on 24 April 2013.

PING AN OF CHINA CSI RAFI A-SHARE 50 ETF*
 (*This is a synthetic ETF)
 (a Sub-Fund of Ping An of China Trust)

INVESTMENT PORTFOLIO

As at 31 December 2012

	Holdings Shares	Market Value HK\$	% of NAV
<u>Financial assets at fair value through profit or loss</u>			
China (100.22%)			
LISTED BASE SECURITIES ISSUED BY UBS AG LONDON BRANCH, PROVIDING EXPOSURE FROM THE FOLLOWING			
Agricultural Bank of China	1,160,458	4,047,881	2.30
Air China Ltd	145,097	1,068,483	0.61
Aluminum Corp of China Ltd	179,479	1,140,810	0.65
Angang Steel Co Ltd	370,799	1,782,034	1.01
Bank of Beijing Co Ltd	254,588	2,920,690	1.66
Bank of China Ltd	573,244	2,044,010	1.16
Bank of Communications Co Ltd	1,660,582	10,168,881	5.77
Baoshan Iron & Steel Co Ltd	1,023,683	6,189,361	3.51
China CITIC Bank Corp Ltd	189,902	1,000,977	0.57
China Coal Energy Co Ltd	106,269	1,021,443	0.58
China Construction Bank Corp	699,748	3,959,590	2.25
China COSCO Holdings Co Ltd	257,038	1,394,701	0.79
China Everbright Bank Co Ltd	585,232	2,222,849	1.26
China Life Insurance Co Ltd	76,406	2,013,688	1.14
China Merchants Bank Co Ltd	647,638	10,994,163	6.24
China Minsheng Banking Corp Ltd	1,135,776	11,004,960	6.24
China Pacific Insurance Group Co Ltd	127,782	3,545,998	2.01
China Petroleum & Chemical Corp (Sinopec)	573,185	4,887,348	2.77
China Railway Co Ltd	926,453	3,447,072	1.96
China Railway Construction Co Ltd	562,310	4,053,634	2.30
China Shenhua Energy Co Ltd	160,230	5,005,352	2.84
China State Construction Engineering Co Ltd	1,548,433	7,441,661	4.22
China United Network Communications Co Ltd	1,321,586	5,736,793	3.25
China Vanke Co Ltd	406,169	5,068,955	2.87
China Yangtze Power Co Ltd	275,576	2,328,379	1.32
CITIC Securities Co Ltd	373,872	6,172,887	3.50
Daqin Railway Co Ltd	441,398	3,695,216	2.10
Datang International Power Generation Co Ltd	110,225	546,822	0.31
GD Power Development Co Ltd	489,524	1,593,709	0.90
Haitong Securities Co Ltd	282,353	3,567,515	2.02
Hebei Iron & Steel Co Ltd	528,375	1,761,150	1.00
Hua Xia Bank Co Ltd	158,553	2,027,889	1.15
Huaneng Power International Inc	260,658	2,303,359	1.31

PING AN OF CHINA CSI RAFI A-SHARE 50 ETF*
 (*This is a synthetic ETF)
 (a Sub-Fund of Ping An of China Trust)

INVESTMENT PORTFOLIO (CONTINUED)

As at 31 December 2012

	Holdings Shares	Market Value HK\$	% of NAV
<u>Financial assets at fair value through profit or loss (continued)</u>			
China (100.22%) (continued)			
LISTED BASE SECURITIES ISSUED BY UBS AG LONDON BRANCH, PROVIDING EXPOSURE FROM THE FOLLOWING (continued)			
Industrial and Commercial Bank of China Ltd	1,077,222	5,511,057	3.12
Industrial Bank Co Ltd	454,703	9,375,517	5.32
Kweichow Moutai Co Ltd	4,718	1,216,005	0.69
Metallurgical Corp of China Co Ltd	597,174	1,666,438	0.94
Minmetals Development Co Ltd	43,837	927,661	0.53
Petrochina Co Ltd	264,727	2,954,925	1.68
Ping An Bank Co Ltd	101,478	2,005,847	1.14
Ping An Insurance (Group) Co of China Ltd	118,357	6,614,773	3.75
Poly Real Estate Group Co Ltd	127,255	2,130,661	1.21
Saic Motor Co Ltd	143,712	3,130,294	1.77
Shanghai International Port Group Co Ltd	146,378	476,553	0.27
Shanghai Pudong Development Bank Co Ltd	576,429	7,059,739	4.00
Shanxi Taigang Stainless Steel Co Ltd	353,524	1,561,994	0.89
SINOHYDRO Group Ltd	267,149	1,263,191	0.72
Suning Appliance Co Ltd	174,923	1,437,271	0.82
Wuhan Iron and Steel Co Ltd	749,521	2,556,361	1.45
Yanzhou Coal Mining Co Ltd	27,352	614,855	0.35
TOTAL EXPOSURE		<u>176,661,402</u>	<u>100.22</u>
TOTAL INVESTMENTS, AT COST		<u>195,311,701</u>	

PING AN OF CHINA CSI HK DIVIDEND ETF
(a Sub-Fund of Ping An of China Trust)

INVESTMENT PORTFOLIO (CONTINUED)

As at 31 December 2012

	Holdings Shares	Market Value HK\$	% of NAV
<u>Financial assets at fair value through profit or loss (continued)</u>			
Cambodia (0.64%)			
NagaCorp Ltd	412,000	1,936,400	0.64
		-----	-----
		1,936,400	0.64
China (13.86%)			
Bosideng International Holdings Ltd	1,601,744	3,684,011	1.22
Fufeng Group Ltd	429,735	1,469,694	0.49
Guangzhou R&F Properties Co Ltd	503,600	6,496,440	2.16
Huaneng Power International Inc	1,778,009	12,748,325	4.25
Jiangsu Expressway Co Ltd	611,089	4,882,601	1.62
Silver Base Group Holdings Ltd	606,000	1,515,000	0.50
SOHO China Ltd	1,043,386	6,489,861	2.16
Zhejiang Expressway Co Ltd	717,064	4,374,090	1.46
		-----	-----
		41,660,022	13.86
Great Britain (10.41%)			
HSBC Holdings Plc	384,209	31,236,192	10.41
		-----	-----
		31,236,192	10.41
Hong Kong (74.48%)			
ASM Pacific Technology Ltd	98,926	9,328,722	3.11
BOC Hong Kong (Holdings) Ltd	1,258,806	30,337,225	10.10
Bonjour Holdings Ltd	602,599	584,521	0.19
Champion REIT	1,237,869	4,592,494	1.53
CLP Holdings Ltd	446,219	28,937,302	9.64
Esprit Holdings Ltd	967,539	10,391,369	3.46
Kingboard Laminates Holdings Ltd	600,099	2,136,352	0.71
Kowloon Development Co Ltd	171,000	1,583,460	0.53
Link REIT	725,173	28,064,195	9.35
Midland Holdings Ltd	361,044	1,335,863	0.44
PCCW Ltd	2,182,075	7,419,055	2.47
Power Assets Holdings Ltd	440,536	29,163,483	9.72
Shenzhen Investment Ltd	1,076,913	3,381,507	1.12
Swire Pacific Ltd	314,931	30,186,136	10.05
Television Broadcasts Ltd	170,466	9,869,981	3.29
Texwinca Holdings Ltd	408,225	2,975,960	0.99

PING AN OF CHINA CSI HK DIVIDEND ETF
(a Sub-Fund of Ping An of China Trust)

INVESTMENT PORTFOLIO (CONTINUED)

As at 31 December 2012

	Holdings Shares	Market Value HK\$	% of NAV
<u>Financial assets at fair value through profit or loss (continued)</u>			
Hong Kong (74.48%) (continued)			
VTech Holdings Ltd	87,283	7,580,529	2.52
Winsor Properties Holdings Ltd	128,000	1,623,040	0.54
Yue Yuen Industrial Holdings Ltd	412,309	10,678,803	3.56
Yuexiu Real Estate Investment Trust	951,000	3,499,680	1.16
		-----	-----
		223,669,677	74.48
TOTAL EXPOSURE		-----	-----
		298,502,291	99.39
TOTAL INVESTMENTS, AT COST		=====	
		269,070,447	
		=====	

PING AN OF CHINA CSI HK MID CAP SELECT ETF
(a Sub-Fund of Ping An of China Trust)

INVESTMENT PORTFOLIO (CONTINUED)

As at 31 December 2012

	Holdings Shares	Market Value HK\$	% of NAV
<u>Financial assets at fair value through profit or loss (continued)</u>			
China (59.40%)			
AAC Technologies Holdings Inc	46,985	1,273,293	1.66
Air China Ltd	146,000	956,300	1.24
Aluminum Corp of China Ltd	283,602	1,006,787	1.31
Baoxin Auto Group Ltd	48,500	304,095	0.39
Beijing Enterprises Water Group Ltd	248,402	496,804	0.64
Bosideng International Holdings Ltd	230,314	529,722	0.69
BYD Co Ltd	39,918	928,093	1.21
China Agri-Industries Holdings Ltd	181,584	788,075	1.02
China COSCO Holdings Co Ltd	185,554	705,105	0.92
China Eastern Airlines Corp Ltd	125,637	388,218	0.50
China Everbright International Ltd	122,091	478,597	0.62
China Foods Ltd	60,180	430,889	0.56
China Longyuan Power Group Corp	136,443	731,334	0.95
China Oilfield Services Ltd	98,365	1,571,873	2.05
China Railway Construction Corp Ltd	132,305	1,165,607	1.52
China Railway Group Ltd	268,545	1,216,509	1.58
China Rongsheng Heavy Industries Group Holdings Ltd	245,610	304,556	0.39
China Shanshui Cement Group Ltd	141,742	803,677	1.04
China Shineway Pharmaceutical Group Ltd	23,783	311,557	0.40
China State Construction International Holdings Ltd	128,093	1,191,265	1.55
China Taiping Insurance Holdings Co Ltd	54,200	850,940	1.11
China Yurun Food Group Ltd	93,000	523,590	0.68
China ZhengTong Auto Services Holdings Ltd	56,195	302,891	0.39
CITIC Securities Co Ltd	60,000	1,176,000	1.53
CSR Corp Ltd	128,538	868,917	1.13
Daphne International Holdings Ltd	47,059	499,767	0.65
Digital China Holdings Ltd	54,948	726,413	0.94
ENN Energy Holdings Ltd	48,291	1,629,821	2.12
Far East Horizon Ltd	71,476	446,010	0.58
Geely Automobile Holdings Ltd	245,270	900,141	1.17
Haitian International Holdings Ltd	45,909	424,658	0.55
Huaneng Power International Inc	235,652	1,689,625	2.20
Intime Department Store Group Co Ltd	71,425	652,824	0.85
Jiangxi Copper Co Ltd	90,768	1,851,667	2.41
KWG Property Holding Ltd	104,022	605,408	0.78
Lonking Holdings Ltd	215,441	439,500	0.57
Maoye International Holdings Ltd	119,139	188,240	0.24
Nine Dragons Paper Holdings Ltd	119,000	833,000	1.08
Parkson Retail Group Ltd	89,500	559,375	0.73
Poly Property Group Co Ltd	155,679	943,415	1.23

PING AN OF CHINA CSI HK MID CAP SELECT ETF
(a Sub-Fund of Ping An of China Trust)

INVESTMENT PORTFOLIO (CONTINUED)

As at 31 December 2012

	Holdings Shares	Market Value HK\$	% of NAV
<u>Financial assets at fair value through profit or loss (continued)</u>			
China (59.58%) (continued)			
Renhe Commercial Holdings Co Ltd	710,100	575,181	0.75
Sany Heavy Equipment International Holdings Co Ltd	67,271	272,448	0.35
Shandong Weigao Group Medical Polymer Co Ltd	95,452	735,935	0.96
Shanghai Electric Group Co Ltd	213,775	707,595	0.92
Shanghai Industrial Holdings Ltd	36,160	985,360	1.28
Shenguan Holdings Group Ltd	95,506	400,170	0.52
Sihuan Pharmaceutical Holdings Group Ltd	132,085	449,089	0.58
Sino Biopharmaceutical Ltd	213,197	788,829	1.03
Sinofert Holdings Ltd	151,428	284,685	0.37
Sino-Ocean Land Holdings Ltd	185,200	1,072,308	1.39
SOHO China Ltd	124,473	774,222	1.01
Tsingtao Brewery Co Ltd	21,553	986,050	1.29
Uni-President China Holdings Ltd	77,651	637,515	0.83
Weichai Power Co Ltd	30,932	1,064,061	1.39
Yuexiu Property Co Ltd	400,129	980,316	1.28
Zhongsheng Group Holdings Ltd	41,174	482,559	0.63
Zijin Mining Group Co Ltd	382,024	1,165,173	1.52
Zoomlion Heavy Industry Science and Technology Co Ltd	91,226	1,041,801	1.35
ZTE Corp	45,266	591,174	0.77
		-----	-----
		45,689,029	59.40
Hong Kong (38.78%)			
ANTA Sports Products Ltd	72,024	494,085	0.64
Champion REIT	177,735	659,397	0.86
China Everbright Ltd	61,854	924,099	1.21
China Gas Holdings Ltd	245,211	1,495,787	1.94
China Liansu Group Holdings Ltd	67,488	358,361	0.46
China Resources Gas Group Ltd	38,710	619,360	0.80
Chow Sang Sang Holdings International Ltd	29,203	525,070	0.68
Dah Chong Hong Holdings Ltd	65,269	531,942	0.69
Esprit Holdings Ltd	125,856	1,351,694	1.76
First Pacific Co Ltd	148,879	1,266,960	1.65
Glorious Property Holdings Ltd	224,139	327,243	0.42
GOME Electrical Appliances Holdings Ltd	646,000	594,320	0.78
Great Eagle Holdings Ltd	22,669	582,593	0.75
Guangzhou Automobile Group Co Ltd	141,154	969,728	1.26
Haier Electronics Group Co Ltd	49,006	555,728	0.72
Hengdeli Holdings Ltd	107,254	298,166	0.38
Hopewell Holdings Ltd	40,086	1,332,860	1.73
Huabao International Holdings Ltd	152,384	585,155	0.76

PING AN OF CHINA CSI HK MID CAP SELECT ETF
(a Sub-Fund of Ping An of China Trust)

INVESTMENT PORTFOLIO (CONTINUED)

As at 31 December 2012

	Holdings Shares	Market Value HK\$	% of NAV
<u>Financial assets at fair value through profit or loss (continued)</u>			
Hong Kong (38.78%) (continued)			
Hutchison Telecommunications Hong Kong Holdings Ltd	308,000	1,096,480	1.43
Johnson Electric Holdings Ltd	104,402	538,714	0.70
Kingboard Chemical Holdings Ltd	38,830	1,067,825	1.39
Kingboard Laminates Holdings Ltd	86,293	307,203	0.40
Lee & Man Paper Manufacturing Ltd	134,888	658,253	0.86
Luk Fook Holdings International Ltd	21,814	532,262	0.69
Minth Group Ltd	38,699	344,808	0.45
MMG Ltd	114,105	366,277	0.47
PCCW Ltd	277,755	944,367	1.23
Samsonite International SA	60,712	970,178	1.26
Shenzhou International Group Holdings Ltd	34,000	595,000	0.77
Shougang Fushan Resources Group Ltd	204,552	582,973	0.76
Shui On Land Ltd	154,600	579,750	0.75
Sinopharm Medicine Holding Co Ltd	49,961	1,211,554	1.58
Skyworth Digital Holdings Ltd	128,794	511,312	0.66
Techtronic Industries Co Ltd	81,531	1,170,785	1.53
Television Broadcasts Ltd	22,551	1,305,703	1.70
Texwinca Holdings Ltd	58,657	427,610	0.55
VTech Holdings Ltd	11,153	968,638	1.26
Wing Hang Bank Ltd	12,827	1,037,704	1.35
Xinyi Glass Holdings Ltd	155,907	745,236	0.97
Yingde Gases Group Co Ltd	51,966	409,492	0.53
		-----	-----
		29,844,672	38.78
Mongolia (1.16%)			
Mongolian Mining Corp	234,500	891,100	1.16
		-----	-----
		891,100	1.16
TOTAL EXPOSURE		-----	-----
		76,424,801	99.34
TOTAL INVESTMENTS, AT COST		=====	=====
		70,187,412	

PING AN OF CHINA CSI RAFI HK50 ETF
(a Sub-Fund of Ping An of China Trust)

INVESTMENT PORTFOLIO (CONTINUED)

As at 31 December 2012

	Holdings Shares	Market Value HK\$	% of NAV
<u>Financial assets at fair value through profit or loss (continued)</u>			
China (61.08%)			
Agricultural Bank of China Ltd	830,566	3,181,068	1.40
Bank of China Ltd	3,958,874	13,697,704	6.04
Bank of Communications Co Ltd	528,539	3,086,668	1.36
China CITIC Bank Corp Ltd	318,809	1,466,521	0.65
China Communications Construction Co Ltd	319,251	2,387,997	1.05
China Construction Bank Corp	3,502,973	21,788,492	9.61
China Life Insurance Co Ltd	209,492	5,300,148	2.34
China Mobile Ltd	186,082	16,793,900	7.40
China Overseas Land & Investment Ltd	84,109	1,942,918	0.85
China Petroleum & Chemical Corp	1,480,974	13,002,952	5.73
China Railway Group Ltd	569,127	2,578,145	1.14
China Resources Enterprise Ltd	57,217	1,599,215	0.70
China Resources Land Ltd	46,068	972,035	0.43
China Resources Power Holdings Co Ltd	55,964	1,106,968	0.49
China Shenhua Energy Co Ltd	99,558	3,379,994	1.49
China Telecom Corp Ltd	811,262	3,496,539	1.54
China Unicom (Hong Kong) Ltd	237,932	2,955,115	1.30
CITIC Pacific Ltd	102,112	1,180,415	0.52
CNOOC Ltd	478,219	8,024,515	3.54
Country Garden Holdings Co Ltd	221,283	898,409	0.39
Industrial and Commercial Bank of China Ltd	2,594,836	14,271,598	6.29
Lenovo Group Ltd	249,248	1,749,721	0.77
PetroChina Co Ltd	907,912	9,968,874	4.39
Ping An Insurance (Group) Co of China Ltd	33,632	2,182,717	0.96
Shimao Property Holdings Ltd	60,153	879,437	0.39
Tingyi (Cayman Islands) Holding Corp	32,392	698,048	0.31
		-----	-----
		138,590,113	61.08
Great Britain (9.71%)			
HSBC Holdings Plc	270,794	22,015,552	9.71
		-----	-----
		22,015,552	9.71
Hong Kong (28.33%)			
AIA Group Ltd	171,770	5,196,043	2.29
BOC Hong Kong (Holdings) Ltd	110,453	2,661,917	1.17
Cathay Pacific Airways Ltd	73,206	1,040,989	0.46
Cheung Kong Holdings Ltd	42,622	5,072,018	2.23
CLP Holdings Ltd	60,216	3,905,008	1.72
Esprit Holdings Ltd	319,869	3,435,393	1.51
Hang Lung Properties Ltd	58,900	1,814,120	0.80

PING AN OF CHINA CSI RAFI HK50 ETF
(a Sub-Fund of Ping An of China Trust)

INVESTMENT PORTFOLIO (CONTINUED)

As at 31 December 2012

	Holdings Shares	Market Value HK\$	% of NAV
<u>Financial assets at fair value through profit or loss (continued)</u>			
Hong Kong (28.33%) (continued)			
Hang Seng Bank Ltd	23,614	2,802,982	1.23
Henderson Land Development Co Ltd	34,572	1,891,089	0.83
Hong Kong Exchanges and Clearing Ltd	19,179	2,529,710	1.11
Hutchison Whampoa Ltd	105,238	8,513,754	3.75
Kerry Properties Ltd	26,111	1,050,968	0.46
Li & Fung Ltd	164,705	2,253,164	0.99
New World Development Co Ltd	170,367	2,047,811	0.90
Orient Overseas International Ltd	31,342	1,573,368	0.69
PCCW Ltd	383,117	1,302,598	0.57
Power Assets Holdings Ltd	35,124	2,325,209	1.02
Sino Land Co Ltd	77,549	1,081,033	0.47
Sun Hung Kai Properties Ltd	52,162	6,061,224	2.67
Swire Pacific Ltd	34,969	3,351,779	1.48
Wharf Holdings Ltd	59,203	3,587,702	1.58
Yue Yuen Industrial Holdings Ltd	35,247	912,897	0.40
		-----	-----
		64,410,776	28.33
Macau (0.26%)			
Wynn Macau Ltd	28,394	594,854	0.26
		-----	-----
		594,854	0.26
TOTAL EXPOSURE		----- 225,611,295	----- 99.38
TOTAL INVESTMENTS, AT COST		----- ----- 209,592,342	

PING AN OF CHINA CSI RAFI A-SHARE 50 ETF*

(*This is a synthetic ETF)

(a Sub-Fund of Ping An of China Trust)

MOVEMENTS IN INVESTMENT PORTFOLIO

For the year ended 31 December 2012

INVESTMENTS	Holdings As at 1 January 2012	Additions	Corporate Action	Disposals	Holdings As at 31 December 2012
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Financial assets at fair value through profit or loss

LISTED BASE SECURITIES ISSUED
BY CITIGROUP GLOBAL
MARKETS HOLDINGS INC.,
PROVIDING EXPOSURE FROM THE
FOLLOWING

Agricultural Bank of China	176,985	146,866	-	(323,851)	-
Air China Ltd	19,691	21,162	-	(40,853)	-
Aluminum Corp of China Ltd	42,524	5,817	-	(48,341)	-
Angang Steel Co Ltd	100,614	-	-	(100,614)	-
Bank of Beijing Co Ltd	75,137	-	11,921	(87,058)	-
Bank of China Ltd	171,552	-	-	(171,552)	-
Bank of Communications Co Ltd	545,194	-	-	(545,194)	-
Baoshan Iron & Steel Co Ltd	279,110	-	-	(279,110)	-
China CITIC Bank Corp Ltd	45,540	-	-	(45,540)	-
China Coal Energy Co Ltd	29,096	-	-	(29,096)	-
China Construction Bank Corp	192,911	-	-	(192,911)	-
China COSCO Holdings Co Ltd	59,124	7,806	-	(66,930)	-
China Everbright Bank Co Ltd	44,238	119,853	-	(164,091)	-
China Life Insurance Co Ltd	27,642	-	-	(27,642)	-
China Merchants Bank Co Ltd	190,833	-	-	(190,833)	-
China Minsheng Banking Corp Ltd	329,851	15,199	-	(345,050)	-
China Pacific Insurance Group Co Ltd	44,237	-	-	(44,237)	-
China Petroleum & Chemical Corp (Sinopec)	160,515	-	-	(160,515)	-
China Railway Co Ltd	217,282	46,792	-	(264,074)	-
China Railway Construction Co Ltd	157,339	-	-	(157,339)	-
China Shenhua Energy Co Ltd	41,406	4,925	-	(46,331)	-
China State Construction Engineering Co Ltd	416,100	24,993	-	(441,093)	-
China United Network Communications Co Ltd	382,364	-	-	(382,364)	-
China Vanke Co Ltd	152,071	-	-	(152,071)	-
China Yangtze Power Co Ltd	94,667	-	-	(94,667)	-
CITIC Securities Co Ltd	123,567	-	-	(123,567)	-
Daqin Railway Co Ltd	131,358	-	-	(131,358)	-
Datang International Power Generation Co Ltd	41,335	-	-	(41,335)	-

PING AN OF CHINA CSI RAFI A-SHARE 50 ETF*

(*This is a synthetic ETF)

(a Sub-Fund of Ping An of China Trust)

MOVEMENTS IN INVESTMENT PORTFOLIO (CONTINUED)

For the year ended 31 December 2012

INVESTMENTS (CONTINUED)	Holdings As at 1 January 2012	Additions	Corporate Action	Disposals	Holdings As at 31 December 2012
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Financial assets at fair value through profit or loss (continued)

LISTED BASE SECURITIES ISSUED
BY CITIGROUP GLOBAL MARKETS
HOLDINGS INC., PROVIDING
EXPOSURE FROM THE
FOLLOWING (continued)

GD Power Development Co Ltd	163,667	-	-	(163,667)	-
Haitong Securities Co Ltd	118,944	-	-	(118,944)	-
Hebei Iron & Steel Co Ltd	181,208	-	-	(181,208)	-
Hua Xia Bank Co Ltd	37,037	14,090	-	(51,127)	-
Huaneng Power International Inc	125,077	-	-	(125,077)	-
Hunan Valin Steel Co Ltd	75,208	-	-	(75,208)	-
Industrial and Commercial Bank of China Ltd	322,688	-	-	(322,688)	-
Industrial Bank Co Ltd	88,070	38,755	-	(126,825)	-
Kweichow Moutai Co Ltd	2,100	-	-	(2,100)	-
Maanshan Iron and Steel Co Ltd	114,414	-	-	(114,414)	-
Metallurgical Corp of China Co Ltd	128,456	38,324	-	(166,780)	-
Minmetals Development Co Ltd	13,043	-	-	(13,043)	-
Petrochina Co Ltd	85,809	-	-	(85,809)	-
Ping An Bank Co Ltd	-	28,276	-	(28,276)	-
Ping An Insurance (Group) Co of China Ltd	38,123	-	-	(38,123)	-
Poly Real Estate Group Co Ltd	-	36,719	-	(36,719)	-
Saic Motor Co Ltd	27,816	12,703	-	(40,519)	-
Shanghai Electric Group Co Ltd	25,099	-	-	(25,099)	-
Shanghai International Port Group Co Ltd	36,125	6,236	-	(42,361)	-
Shanghai Pudong Development Bank Co Ltd	160,949	8,107	-	(169,056)	-
Shanxi Taigang Stainless Steel Co Ltd	131,751	-	-	(131,751)	-
SINOHYDRO Group Ltd	-	75,137	-	(75,137)	-
Suning Appliance Co Ltd	40,581	12,256	-	(52,837)	-
Wuhan Iron and Steel Co Ltd	207,023	-	-	(207,023)	-
Yanzhou Coal Mining Co Ltd	5,359	-	-	(5,359)	-

PING AN OF CHINA CSI RAFI A-SHARE 50 ETF*

(*This is a synthetic ETF)

(a Sub-Fund of Ping An of China Trust)

MOVEMENTS IN INVESTMENT PORTFOLIO (CONTINUED)

For the year ended 31 December 2012

INVESTMENTS (CONTINUED)	Holdings			Disposals	Holdings
	As at 1 January 2012	Additions	Corporate Action		

Financial assets at fair value through profit or loss (continued)

LISTED BASE SECURITIES ISSUED
BY UBS AG LONDON BRANCH,
PROVIDING EXPOSURE FROM THE
FOLLOWING (continued)

Agricultural Bank of China	1,296,039	981,647	-	(1,117,228)	1,160,458
Air China Ltd	143,222	143,947	-	(142,072)	145,097
Aluminum Corp of China Ltd	303,669	40,786	-	(164,976)	179,479
Angang Steel Co Ltd	745,929	-	-	(375,130)	370,799
Bank of Beijing Co Ltd	554,648	-	83,857	(383,917)	254,588
Bank of China Ltd	1,298,586	-	-	(725,342)	573,244
Bank of Communications Co Ltd	3,969,399	-	-	(2,308,817)	1,660,582
Baoshan Iron & Steel Co Ltd	2,043,885	-	-	(1,020,202)	1,023,683
China CITIC Bank Corp Ltd	342,698	-	-	(152,796)	189,902
China Coal Energy Co Ltd	209,925	-	-	(103,656)	106,269
China Construction Bank Corp	1,388,324	-	-	(688,576)	699,748
China COSCO Holdings Co Ltd	440,474	54,732	-	(238,168)	257,038
China Everbright Bank Co Ltd	322,441	831,275	-	(568,484)	585,232
China Life Insurance Co Ltd	201,836	-	-	(125,430)	76,406
China Merchants Bank Co Ltd	1,391,836	-	-	(744,198)	647,638
China Minsheng Banking Corp Ltd	2,387,923	106,575	-	(1,358,722)	1,135,776
China Pacific Insurance Group Co Ltd	318,320	-	-	(190,538)	127,782
China Petroleum & Chemical Corp (Sinopec)	1,179,019	-	-	(605,834)	573,185
China Railway Co Ltd	1,566,192	289,469	-	(929,208)	926,453
China Railway Construction Co Ltd	1,152,172	-	-	(589,862)	562,310
China Shenhua Energy Co Ltd	300,728	24,632	-	(165,130)	160,230
China State Construction Engineering Co Ltd	3,013,977	206,956	-	(1,672,500)	1,548,433
China United Network Communications Co Ltd	2,686,746	-	-	(1,365,160)	1,321,586
China Vanke Co Ltd	1,113,594	-	-	(707,425)	406,169
China Yangtze Power Co Ltd	690,579	-	-	(415,003)	275,576
CITIC Securities Co Ltd	904,863	-	-	(530,991)	373,872
Daqin Railway Co Ltd	955,719	-	-	(514,321)	441,398
Datang International Power Generation Co Ltd	299,139	-	-	(188,914)	110,225

PING AN OF CHINA CSI RAFI A-SHARE 50 ETF*

(*This is a synthetic ETF)

(a Sub-Fund of Ping An of China Trust)

MOVEMENTS IN INVESTMENT PORTFOLIO (CONTINUED)

For the year ended 31 December 2012

INVESTMENTS (CONTINUED)	Holdings			Corporate Action	Holdings	
	As at 1 January 2012	Additions	Disposals		As at 31 December 2012	

Financial assets at fair value through profit or loss (continued)

LISTED BASE SECURITIES ISSUED
BY UBS AG LONDON BRANCH,
PROVIDING EXPOSURE FROM THE
FOLLOWING (continued)

GD Power Development Co Ltd	484,045	480,849	-	(475,370)	489,524
Haitong Securities Co Ltd	867,269	-	-	(584,916)	282,353
Hebei Iron & Steel Co Ltd	1,321,881	380,400	-	(1,173,906)	528,375
Hua Xia Bank Co Ltd	272,233	64,400	-	(178,080)	158,553
Huaneng Power International Inc	886,606	-	-	(625,948)	260,658
Hunan Valin Steel Co Ltd	555,913	-	-	(555,913)	-
Industrial and Commercial Bank of China Ltd	2,356,504	-	-	(1,279,282)	1,077,222
Industrial Bank Co Ltd	644,921	265,892	-	(456,110)	454,703
Kweichow Moutai Co Ltd	8,570	964	-	(4,816)	4,718
Maanshan Iron and Steel Co Ltd	820,600	-	-	(820,600)	-
Metallurgical Corp of China Co Ltd	940,098	233,022	-	(575,946)	597,174
Minmetals Development Co Ltd	94,223	-	-	(50,386)	43,837
Petrochina Co Ltd	628,999	-	-	(364,272)	264,727
Ping An Bank Co Ltd	-	198,834	-	(97,356)	101,478
Ping An Insurance (Group) Co of China Ltd	277,820	-	-	(159,463)	118,357
Poly Real Estate Group Co Ltd	-	258,197	-	(130,942)	127,255
Saic Motor Co Ltd	200,831	84,015	-	(141,134)	143,712
Shanghai Electric Group Co Ltd	187,455	-	-	(187,455)	-
Shanghai International Port Group Co Ltd	263,060	33,846	-	(150,528)	146,378
Shanghai Pudong Development Bank Co Ltd	1,177,704	63,265	-	(664,540)	576,429
Shanxi Taigang Stainless Steel Co Ltd	933,912	-	-	(580,388)	353,524
SINOHYDRO Group Ltd	-	528,347	-	(261,198)	267,149
Suning Appliance Co Ltd	287,658	83,825	-	(196,560)	174,923
Wuhan Iron and Steel Co Ltd	1,488,609	-	-	(739,088)	749,521
Yanzhou Coal Mining Co Ltd	37,716	15,130	-	(25,494)	27,352

PING AN OF CHINA CSI HK DIVIDEND ETF
(a Sub-Fund of Ping An of China Trust)

MOVEMENTS IN INVESTMENT PORTFOLIO (CONTINUED)

For the period from 10 February 2012 (date of inception) to 31 December 2012

INVESTMENTS

Holdings
As at 31
December
2012

Additions Corporate
Action

Disposals

Financial assets at fair value through profit or loss (continued)

ASM Pacific Technology Ltd	134,606	-	(35,680)	98,926
BOC Hong Kong (Holdings) Ltd	1,891,316	-	(632,510)	1,258,806
Bonjour Holdings Ltd	817,569	-	(214,970)	602,599
Bosideng International Holdings Ltd	2,176,614	-	(574,870)	1,601,744
Champion REIT	1,684,179	-	(446,310)	1,237,869
CLP Holdings Ltd	580,699	-	(134,480)	446,219
Dalian Port PDA Co Ltd	722,115	-	(722,115)	-
Esprit Holdings Ltd	1,315,419	-	(347,880)	967,539
Esprit Holdings Ltd Nil paid Rts 19/11/2012	-	438,473	(438,473)	-
Fufeng Group Ltd	583,975	-	(154,240)	429,735
Guangzhou R&F Properties Co Ltd	503,600	-	-	503,600
HKT Trust and HKT Ltd Share Stapled Unit	64,461	-	(64,461)	-
HSBC Holdings Plc	581,639	-	(197,430)	384,209
Huaneng Power International Inc	2,416,139	-	(638,130)	1,778,009
Jiangsu Expressway Co Ltd	830,419	-	(219,330)	611,089
Kingboard Laminates Holdings Ltd	815,479	-	(215,380)	600,099
Kowloon Development Co Ltd	171,000	-	-	171,000
Link REIT	1,316,293	-	(591,120)	725,173
Midland Holdings Ltd	489,924	-	(128,880)	361,044
NagaCorp Ltd	412,000	-	-	412,000
Pacific Basin Shipping Ltd	1,316,049	-	(1,316,049)	-
PCCW Ltd	5,930,430	-	(3,748,355)	2,182,075
Power Assets Holdings Ltd	598,646	-	(158,110)	440,536
Renhe Commercial Holdings Co Ltd	7,185,810	-	(7,185,810)	-
SA SA International Holdings Ltd	764,275	-	(764,275)	-
Shenzhen Investment Ltd	1,478,483	-	(401,570)	1,076,913

PING AN OF CHINA CSI HK DIVIDEND ETF
(a Sub-Fund of Ping An of China Trust)

MOVEMENTS IN INVESTMENT PORTFOLIO (CONTINUED)

For the period from 10 February 2012 (date of inception) to 31 December 2012

INVESTMENTS (CONTINUED)

Holdings
As at 31
December
2012

Additions Corporate
Action

Disposals

Financial assets at fair value through profit or loss (continued)

Silver Base Group Holdings Ltd	606,000	-	-	606,000
SOHO China Ltd	1,410,436	-	(367,050)	1,043,386
Swire Pacific Ltd	410,731	-	(95,800)	314,931
Television Broadcasts Ltd	233,356	-	(62,890)	170,466
Texwinca Holdings Ltd	555,045	-	(146,820)	408,225
VTech Holdings Ltd	118,643	-	(31,360)	87,283
Winsor Properties Holdings Ltd	128,000	-	-	128,000
Xtep International Holdings	443,663	-	(443,663)	-
Yue Yuen Industrial Holdings Ltd	560,289	-	(147,980)	412,309
Yuexiu Real Estate Investment Trust	951,000	-	-	951,000
Yuexiu Transport Infrastructure Ltd	454,803	-	(454,803)	-
Zhejiang Expressway Co Ltd	974,414	-	(257,350)	717,064

PING AN OF CHINA CSI HK MID CAP SELECT ETF
(a Sub-Fund of Ping An of China Trust)

MOVEMENTS IN INVESTMENT PORTFOLIO (CONTINUED)

For the period from 10 February 2012 (date of inception) to 31 December 2012

INVESTMENTS

Holdings
As at 31
December
2012

Additions Corporate
Action

Disposals

Financial assets at fair value through profit or loss (continued)

AAC Technologies Holdings Inc	95,063	-	(48,078)	46,985
Air China Ltd	146,000	-	-	146,000
Aluminum Corp of China Ltd	508,848	-	(225,246)	283,602
ANTA Sports Products Ltd	129,000	-	(56,976)	72,024
Baoxin Auto Group Ltd	48,500	-	-	48,500
Beijing Enterprises Water Group Ltd	445,700	-	(197,298)	248,402
Bosideng International Holdings Ltd	413,236	-	(182,922)	230,314
Brightoil Petroleum Holdings Ltd	544,045	-	(544,045)	-
BYD Co Ltd	71,622	-	(31,704)	39,918
Champion REIT	319,749	-	(142,014)	177,735
China Agri-Industries Holdings Ltd	331,500	-	(149,916)	181,584
China Agri-Industries Holdings Ltd Nil paid Rts 17/12/2012	-	76,500	(76,500)	-
China COSCO Holdings Co Ltd	332,938	-	(147,384)	185,554
China Dongxiang Group Co	436,316	-	(436,316)	-
China Eastern Airlines Corp Ltd	225,417	-	(99,780)	125,637
China Everbright International Ltd	237,105	-	(115,014)	122,091
China Everbright Ltd	110,988	-	(49,134)	61,854
China Foods Ltd	108,096	-	(47,916)	60,180
China Gas Holdings Ltd	452,397	-	(207,186)	245,211
China High Speed Transmission Equipment Group Co Ltd	175,819	-	(175,819)	-
China Liansu Group Holdings Ltd	155,124	-	(87,636)	67,488
China Longyuan Power Group Corp	244,809	-	(108,366)	136,443
China Minsheng Banking Corp Ltd	658,474	-	(658,474)	-
China National Building Material Co Ltd	371,459	-	(371,459)	-
China Oilfield Services Ltd	198,025	-	(99,660)	98,365
China Railway Construction Corp Ltd	267,883	-	(135,578)	132,305
China Railway Group Ltd	579,833	-	(311,288)	268,545
China Resources Gas Group Ltd	102,816	-	(64,106)	38,710
China Rongsheng Heavy Industries Group Holdings Ltd	445,500	-	(199,890)	245,610
China Shanshui Cement Group Ltd	254,320	-	(112,578)	141,742
China Shineway Pharmaceutical Group Ltd	42,677	-	(18,894)	23,783
China State Construction International Holdings Ltd	239,099	-	(111,006)	128,093
China Taiping Insurance Holdings Co Ltd	54,200	-	-	54,200
China Yurun Food Group Ltd	93,000	-	-	93,000
China ZhengTong Auto Services Holdings Ltd	106,649	-	(50,454)	56,195

PING AN OF CHINA CSI HK MID CAP SELECT ETF
(a Sub-Fund of Ping An of China Trust)

MOVEMENTS IN INVESTMENT PORTFOLIO (CONTINUED)

For the period from 10 February 2012 (date of inception) to 31 December 2012

INVESTMENTS (CONTINUED)

Holdings
As at 31
December
2012

Additions Corporate
Action

Disposals

Financial assets at fair value through profit or loss (continued)

China Zhongwang Holdings Ltd	209,255	-	(209,255)	-
Chow Sang Sang Holdings International Ltd	52,399	-	(23,196)	29,203
CITIC Securities Co Ltd	60,000	-	-	60,000
CSR Corp Ltd	261,134	-	(132,596)	128,538
Dah Chong Hong Holdings Ltd	117,451	-	(52,182)	65,269
Daphne International Holdings Ltd	84,691	-	(37,632)	47,059
Digital China Holdings Ltd	98,634	-	(43,686)	54,948
ENN Energy Holdings Ltd	94,933	-	(46,642)	48,291
Esprit Holdings Ltd	236,550	-	(110,694)	125,856
Esprit Holdings Ltd Nil paid Rts 19/11/2012	-	78,850	(78,850)	-
Far East Horizon Ltd	146,692	-	(75,216)	71,476
First Pacific Co Ltd	298,183	-	(149,304)	148,879
Geely Automobile Holdings Ltd	481,076	-	(235,806)	245,270
Glorious Property Holdings Ltd	402,159	-	(178,020)	224,139
GOME Electrical Appliances Holding Ltd	646,000	-	-	646,000
Great Eagle Holdings Ltd	40,633	-	(17,964)	22,669
Guangdong Investment Ltd	321,666	-	(321,666)	-
Guangzhou Automobile Group Co Ltd	285,556	-	(144,402)	141,154
Haier Electronics Group Co Ltd	120,866	-	(71,860)	49,006
Haitian International Holdings Ltd	82,371	-	(36,462)	45,909
Hengdeli Holdings Ltd	283,730	-	(176,476)	107,254
Hidili Industry International Development Ltd	133,256	-	(133,256)	-
HKT Trust and HKT Ltd Share Stapled Unit	12,238	-	(12,238)	-
Honbridge Holdings Ltd	160,128	-	(160,128)	-
Hopewell Holdings Ltd	75,000	-	(34,914)	40,086
Hopson Development Holdings Ltd	89,591	-	(89,591)	-
Huabao International Holdings Ltd	278,000	-	(125,616)	152,384
Huaneng Power International Inc	458,704	-	(223,052)	235,652
Hui Xian Real Estate Investment Trust	258,528	-	(258,528)	-
Hutchison Telecommunications Hong Kong Holdings Ltd	308,000	-	-	308,000
Hysan Development Co Ltd	82,033	-	(82,033)	-
Intime Department Store Group Co Ltd	128,593	-	(57,168)	71,425
Jiangxi Copper Co Ltd	179,010	-	(88,242)	90,768
Johnson Electric Holdings Ltd	186,740	-	(82,338)	104,402
Kingboard Chemical Holdings Ltd	73,000	-	(34,170)	38,830

PING AN OF CHINA CSI HK MID CAP SELECT ETF
(a Sub-Fund of Ping An of China Trust)

MOVEMENTS IN INVESTMENT PORTFOLIO (CONTINUED)

For the period from 10 February 2012 (date of inception) to 31 December 2012

INVESTMENTS (CONTINUED)

Holdings
As at 31
December
2012

Additions Corporate
Action

Disposals

Financial assets at fair value through profit or loss (continued)

Kingboard Laminates Holdings Ltd	154,825	-	(68,532)	86,293
KWG Property Holding Ltd	186,636	-	(82,614)	104,022
Lee & Man Paper Manufacturing Ltd	242,018	-	(107,130)	134,888
Li Ning Co Ltd	95,339	-	(95,339)	-
L'Occitane International SA	71,750	-	(71,750)	-
Lonking Holdings Ltd	386,549	-	(171,108)	215,441
Luk Fook Holdings International Ltd	41,998	-	(20,184)	21,814
Maoye International Holdings Ltd	211,149	-	(92,010)	119,139
Minth Group Ltd	69,455	-	(30,756)	38,699
MMG Ltd	204,735	-	(90,630)	114,105
Mongolian Mining Corp	234,500	-	-	234,500
Nine Dragons Paper Holdings Ltd	119,000	-	-	119,000
NVC Lighting Holdings Ltd	203,718	-	(203,718)	-
Parkson Retail Group Ltd	89,500	-	-	89,500
PCCW Ltd	1,125,906	-	(848,151)	277,755
Poly Property Group Co Ltd	279,327	-	(123,648)	155,679
Renhe Commercial Holdings Co Ltd	1,314,000	-	(603,900)	710,100
Samsonite International SA	108,928	-	(48,216)	60,712
Sany Heavy Equipment International Holdings Co Ltd	120,473	-	(53,202)	67,271
Sateri Holdings Ltd	88,145	-	(88,145)	-
Semiconductor Manufacturing International Corp	2,482,330	-	(2,482,330)	-
Shandong Weigao Group Medical Polymer Co Ltd	181,516	-	(86,064)	95,452
Shanghai Electric Group Co Ltd	383,563	-	(169,788)	213,775
Shanghai Industrial Holdings Ltd	67,000	-	(30,840)	36,160
Shenguan Holdings Group Ltd	171,442	-	(75,936)	95,506
Shenzhou International Group Holdings Ltd	34,000	-	-	34,000
Shougang Fushan Resources Group Ltd	416,508	-	(211,956)	204,552
Shui On Land Ltd	336,194	-	(181,594)	154,600
Sihuan Pharmaceutical Holdings Group Ltd	250,303	-	(118,218)	132,085
Sino Biopharmaceutical Ltd	382,523	-	(169,326)	213,197
Sinofert Holdings Ltd	271,782	-	(120,354)	151,428
Sino-Ocean Land Holdings Ltd	511,168	-	(325,968)	185,200
Sinopharm Medicine Holding Co Ltd	106,871	-	(56,910)	49,961
Sinotruk Hong Kong Ltd	106,868	-	(106,868)	-
Skyworth Digital Holdings Ltd	239,308	-	(110,514)	128,794
SOHO China Ltd	267,769	-	(143,296)	124,473

PING AN OF CHINA CSI HK MID CAP SELECT ETF
(a Sub-Fund of Ping An of China Trust)

MOVEMENTS IN INVESTMENT PORTFOLIO (CONTINUED)

For the period from 10 February 2012 (date of inception) to 31 December 2012

INVESTMENTS (CONTINUED)

Holdings
As at 31
December
2012

Additions Corporate
Action

Disposals

Financial assets at fair value through profit or loss (continued)

Springland International Holdings Ltd	129,022	-	(129,022)	-
Techtronic Industries Co Ltd	154,635	-	(73,104)	81,531
Television Broadcasts Ltd	42,561	-	(20,010)	22,551
Texwinca Holdings Ltd	105,373	-	(46,716)	58,657
Tsingtao Brewery Co Ltd	42,261	-	(20,708)	21,553
Uni-President China Holdings Ltd	139,319	-	(61,668)	77,651
United Energy Group Ltd	659,387	-	(659,387)	-
United Laboratories International Holdings Ltd	83,955	-	(83,955)	-
United Laboratories International Holdings Ltd Nil Paid Rts 30/04/2012	-	16,791	(16,791)	-
VTech Holdings Ltd	22,531	-	(11,378)	11,153
Weichai Power Co Ltd	52,230	10,446	(31,744)	30,932
Wing Hang Bank Ltd	23,129	-	(10,302)	12,827
Xinyi Glass Holdings Ltd	285,111	-	(129,204)	155,907
Yingde Gases Group Co Ltd	93,240	-	(41,274)	51,966
Yuxiu Property Co Ltd	718,681	-	(318,552)	400,129
Zhongsheng Group Holdings Ltd	73,874	-	(32,700)	41,174
Zijin Mining Group Co Ltd	775,158	-	(393,134)	382,024
Zoomlion Heavy Industry Science and Technology Co Ltd	184,498	-	(93,272)	91,226
ZTE Corp	81,224	-	(35,958)	45,266

PING AN OF CHINA CSI RAFI HK50 ETF
(a Sub-Fund of Ping An of China Trust)

MOVEMENTS IN INVESTMENT PORTFOLIO (CONTINUED)

For the period from 10 February 2012 (date of inception) to 31 December 2012

INVESTMENTS

Holdings
As at 31
December
2012

Additions Corporate
Action

Disposals

Financial assets at fair value through profit or loss (continued)

Agricultural Bank of China Ltd	1,392,872	-	(562,306)	830,566
AIA Group Ltd	396,018	-	(224,248)	171,770
Bank of China Ltd	6,668,534	-	(2,709,660)	3,958,874
Bank of Communications Co Ltd	882,234	-	(353,695)	528,539
Bank of East Asia Ltd	90,342	-	(90,342)	-
BOC Hong Kong (Holdings) Ltd	251,790	-	(141,337)	110,453
Cathay Pacific Airways Ltd	128,898	-	(55,692)	73,206
Cheung Kong Holdings Ltd	75,222	-	(32,600)	42,622
China CITIC Bank Corp Ltd	542,934	-	(224,125)	318,809
China Communications Construction Co Ltd	594,678	-	(275,427)	319,251
China Construction Bank Corp	6,011,808	-	(2,508,835)	3,502,973
China Life Insurance Co Ltd	352,040	-	(142,548)	209,492
China Mobile Ltd	438,354	-	(252,272)	186,082
China Overseas Land & Investment Ltd	149,604	-	(65,495)	84,109
China Petroleum & Chemical Corp	2,721,390	-	(1,240,416)	1,480,974
China Railway Group Ltd	937,000	-	(367,873)	569,127
China Resources Enterprise Ltd	95,298	-	(38,081)	57,217
China Resources Land Ltd	78,000	-	(31,932)	46,068
China Resources Power Holdings Co Ltd	114,786	-	(58,822)	55,964
China Shenhua Energy Co Ltd	168,636	-	(69,078)	99,558
China Telecom Corp Ltd	1,352,024	-	(540,762)	811,262
China Unicom (Hong Kong) Ltd	399,342	-	(161,410)	237,932
CITIC Pacific Ltd	172,220	-	(70,108)	102,112
CLP Holdings Ltd	133,686	-	(73,470)	60,216
CNOOC Ltd	819,500	-	(341,281)	478,219
Country Garden Holdings Co Ltd	376,000	-	(154,717)	221,283
Esprit Holdings Ltd	542,070	-	(222,201)	319,869
Esprit Holdings Ltd Nil Paid Rts 19/11/2012	-	180,690	(180,690)	-
Foxconn International Holdings Ltd	369,978	-	(369,978)	-
Hang Lung Properties Ltd	126,714	-	(67,814)	58,900
Hang Seng Bank Ltd	47,796	-	(24,182)	23,614
Henderson Land Development Co Ltd	63,798	-	(29,226)	34,572
HKT Trust and HKT Ltd Share Stapled Unit	12,246	-	(12,246)	-
Hong Kong Exchanges and Clearing Ltd	32,564	-	(13,385)	19,179
HSBC Holdings Plc	505,424	-	(234,630)	270,794

PING AN OF CHINA CSI RAFI HK50 ETF
(a Sub-Fund of Ping An of China Trust)

MOVEMENTS IN INVESTMENT PORTFOLIO (CONTINUED)

For the period from 10 February 2012 (date of inception) to 31 December 2012

INVESTMENTS (CONTINUED)

Holdings
As at 31

	Additions	Corporate Action	Disposals	December 2012
<u>Financial assets at fair value through profit or loss (continued)</u>				
Hutchison Whampoa Ltd	187,572	-	(82,334)	105,238
Industrial and Commercial Bank of China Ltd	4,423,944	-	(1,829,108)	2,594,836
Kerry Properties Ltd	52,038	-	(25,927)	26,111
Kingboard Chemical Holdings Ltd	61,236	-	(61,236)	-
Lenovo Group Ltd	832,986	-	(583,738)	249,248
Li & Fung Ltd	278,870	-	(114,165)	164,705
New World Development Co Ltd	382,746	-	(212,379)	170,367
Orient Overseas International Ltd	52,818	-	(21,476)	31,342
PCCW Ltd	1,211,608	-	(828,491)	383,117
PetroChina Co Ltd	1,759,926	-	(852,014)	907,912
Ping An Insurance (Group) Co of China Ltd	56,036	-	(22,404)	33,632
Power Assets Holdings Ltd	85,680	-	(50,556)	35,124
Shimao Property Holdings Ltd	102,500	-	(42,347)	60,153
Sino Land Co Ltd	158,382	-	(80,833)	77,549
Sun Hung Kai Properties Ltd	93,268	-	(41,106)	52,162
Swire Pacific Ltd	59,178	-	(24,209)	34,969
Tingyi (Cayman Islands) Holdings Corp	56,448	-	(24,056)	32,392
TPV Technology Ltd	390,726	-	(390,726)	-
Wharf Holdings Ltd	106,962	-	(47,759)	59,203
Wynn Macau Ltd	47,912	-	(19,518)	28,394
Yue Yuen Industrial Holdings Ltd	77,238	-	(41,991)	35,247

PING AN OF CHINA CSI RAFI A-SHARE 50 ETF*
 (*This is a synthetic ETF)
 (a Sub-Fund of Ping An of China Trust)

PERFORMANCE RECORD

For the year ended 31 December 2012

**Net asset value attributable to unitholders
 (calculated in accordance with the Sub-Fund's Trust Deed)**

HK\$

31 December 2012	<u>176,279,930</u>
31 December 2011	<u>371,885,431</u>
31 December 2010	<u>588,240,582</u>

Net asset value per unit

HK\$

31 December 2012 (note 13)	<u>25.1828</u>
31 December 2011 (note 13)	<u>23.2428</u>
31 December 2010 (note 13)	<u>26.7382</u>

Highest and lowest net asset value per unit

	Highest HK\$	Lowest HK\$
Financial year ended 31 December 2012	<u>25.6424</u>	<u>20.6507</u>
Financial year ended 31 December 2011	<u>30.4853</u>	<u>22.9276</u>
Financial period ended 31 December 2010	<u>31.1996</u>	<u>25.4014</u>

PING AN OF CHINA CSI HK DIVIDEND ETF
(a Sub-Fund of Ping An of China Trust)

PERFORMANCE RECORD

For the period from 10 February 2012 (date of inception) to 31 December 2012

Net asset value attributable to unitholders

HK\$

31 December 2012 300,324,883

Net asset value per unit

HK\$

31 December 2012 (note 13) 21.4518

Highest and lowest net asset value per unit

Highest
HK\$

Lowest
HK\$

Financial period ended 31 December 2012 21.8935 18.2448

PING AN OF CHINA CSI HK MID CAP SELECT ETF
(a Sub-Fund of Ping An of China Trust)

PERFORMANCE RECORD

For the period from 10 February 2012 (date of inception) to 31 December 2012

Net asset value attributable to unitholders

HK\$

31 December 2012

76,933,039

Net asset value per unit

HK\$

31 December 2012 (note 13)

21.9809

Highest and lowest net asset value per unit

Highest
HK\$

Lowest
HK\$

Financial period ended 31 December 2012

21.9809

17.1973

PING AN OF CHINA CSI RAFI HK50 ETF
(a Sub-Fund of Ping An of China Trust)

PERFORMANCE RECORD

For the period from 10 February 2012 (date of inception) to 31 December 2012

Net asset value attributable to unitholders

HK\$

31 December 2012

227,010,967

Net asset value per unit

HK\$

31 December 2012 (note 13)

18.1609

Highest and lowest net asset value per unit

Highest
HK\$

Lowest
HK\$

Financial period ended 31 December 2012

18.3748

14.7195